

Section 270 Consent to surrender title - NOPSEMA advice

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Background to policy

Section 270 of the *Offshore Petroleum and Greenhouse Gas Storage Act 2006* (OPGGS Act) provides that the Joint Authority (JA) may consent to the surrender of petroleum exploration permits, production licences, retention leases, infrastructure licences and pipeline licences, if it is satisfied there are sufficient grounds to warrant giving consent.

The National Offshore Petroleum Safety and Environmental Management Authority (NOPSEMA) will be requested to provide advice to the JA in relation to certain criteria to inform the JA's decision-making.

NOPSEMA's advice will be based upon performance against conditions and obligations set out in permissioning documents and other information that demonstrate compliance with the following:

Criteria in section 270 of the OPGGS Act		
(3)(b)(iii) & (v)	The registered holder of the permit, lease or licence has complied with the provisions contained in Chapter 6 of the OPGGS Act and in the regulations made under the OPGGS Act	
(3)(c)(i) & (ii) (3)(d)	The registered holder of the permit, lease or licence has, to the satisfaction of NOPSEMA, removed or caused to be removed from the surrender area all property brought into the surrender area by any person engaged or concerned in the operations authorised by the permit, lease or licence; or made arrangements that are satisfactory to NOPSEMA in relation to that property The registered holder of the permit, lease or licence has, to the satisfaction of	
(5)(0)	NOPSEMA, plugged or closed off all wells made in the surrender area by any person engaged or concerned in the operations authorised by the permit, lease or licence	
(3)(e)	The registered holder of the permit, lease or licence has provided, to the satisfaction of NOPSEMA, for the conservation and protection of the natural resources in the surrender area	
(3)(f)	The registered holder of the permit, lease or licence has, to the satisfaction of NOPSEMA, made good any damage to the seabed or subsoil in the surrender area caused by any person engaged or concerned in the operations authorised by the permit, lease or licence	



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1. Purpose

This document is an operational policy that explains key information required by the National Offshore Petroleum Safety and Environmental Management Authority (NOPSEMA) and the principles it has adopted when advising the Joint Authority (JA)¹ on applications to consent to surrender a title (or where relevant, part thereof).

This policy will assist titleholders to understand what NOPSEMA takes into account when considering if it is satisfied that titleholders have complied with the *Offshore Petroleum and Greenhouse Gas Storage Act 2006* (OPGGS Act) and regulations (being the OPGGS Act regime) and the criteria in section 270(3)(b)(iii) & (v) and 270(3)(c) to (f) (**the criteria**) of the OPGGS Act.

NOPSEMA expects titleholders to proactively consider the principles described in this policy when preparing permissioning documents. This will ensure NOPSEMA has had regard to these considerations in the course of exercising its functions and powers, prior to the surrender of titles process. In this way earlier certainty of outcomes can be obtained and regulatory burden reduced.

This policy may need to be amended depending upon the outcomes of the development and implementation of other Commonwealth decommissioning policies. NOPSEMA's regulatory policy continues to apply in the context of the existing legislative and administrative framework until that time.

2. Scope

This policy applies to the registered holder of a permit, lease or licence (hereafter collectively referred to as a 'titleholder') when an application for consent to surrender a title has been made under section 269 of the OPGGS Act.

This policy will specifically address, and be limited to, how the criteria may be met such that NOPSEMA can advise the JA for the purposes of the JA making a decision on whether to give or refuse consent to surrender a title.

This policy applies to all petroleum structures, equipment, wells (including those for exploration, appraisal and production) and property (collectively referred to hereafter as 'property') brought onto the area under the authority of a title granted under the OPGGS Act, during any stage of operations.

This policy does not cover requirements beyond the scope of the OPGGS Act regime. Titleholders should be aware of other legislative requirements that may apply, such as the *Environment Protection (Sea Dumping) Act 1981* (Sea Dumping Act). Titleholders remain responsible for compliance with any other legislation.

Decommissioning is a normal activity in the offshore petroleum lifecycle. Its purpose is to remove or otherwise satisfactorily deal with, in a safe and environmentally responsible manner, all property previously used to support activities in the offshore area. This includes permanently abandoning wells, rehabilitating the site and carrying out any necessary monitoring.

¹ Joint Authority has the meaning as described in Part 1.3 of the OPGGS Act



3. Cooperation with NOPTA and Joint Authority decision-making

The JA is the entity authorised to make decisions regarding all title surrender applications.

The National Offshore Petroleum Titles Administrator (NOPTA) is the responsible entity for administration of titles as well as the provision of advice to the JA in regard to title surrender applications.

When undertaking title surrender application assessments, NOPTA seeks advice from NOPSEMA with respect to titleholder compliance with section 270. NOPSEMA provides advice relevant to its scope under section 270 provisions to NOPTA who will in turn advise the JA to inform their decision-making.



Please refer to NOPSEMA policy on <u>Provision of title related compliance information and</u> <u>advice to NOPTA</u> (PL1020) for more information on how NOPSEMA considers title surrender criteria in providing advice to NOPTA and subsequent JA decision-making.



Please refer to NOPTA fact sheet <u>Surrender of offshore petroleum titles</u> for general information about the process for surrendering offshore petroleum titles and <u>Joint Authorities</u> <u>protocols</u>.

4. Government policy, relevant legislation, and international frameworks

4.1. Australian Government policy

NOPSEMA must have regard to Australian Government policy when considering if it is satisfied that titleholders have complied with the criteria set out in section 270 of the OPGGS Act.

The <u>Australian Government Guideline: Offshore petroleum decommissioning</u> outlines the key policies relevant to decommissioning and describes the following key principles:

- Decommissioning is the responsibility of titleholders
- Early planning for decommissioning is encouraged
- Removal of all property is the "base case"
- Decommissioning must be completed before the end of title

Please refer to the <u>Australian Government Guideline: Offshore petroleum decommissioning</u> for further information.

4.2. Requirements under section 270

Section 270 of the OPGGS Act sets out the criteria for the JA to determine whether to give consent to the surrender of a title.

NOPSEMA will provide advice to the JA in relation to whether the titleholder has complied with the matters set out in the OPGGS Act as follows:

• 270(3)(b)(iii) & (v) – relating to compliance with Chapter 6 of the OPGGS Act and the regulations, and



- 270(3)(c) to (f) to confirm that the titleholder has, to the satisfaction of NOPSEMA:
 - Removed, or caused to be removed, all property brought into the surrender area, or made arrangements that are satisfactory to NOPSEMA in relation to that property.
 - Plugged or closed off all wells made in the surrender area.
 - Provided for the conservation and protection of the natural resources in the surrender area.
 - Made good any damage to the seabed or subsoil in the surrender area.

NOPSEMA's advice to the JA will inform part of the JA's decision regarding the surrender of the title.

4.3. Titleholder compliance with the provisions of Chapter 6 and of the regulations

NOPSEMA's advice to the JA on whether a titleholder has complied with the provisions of Chapter 6 of the OPGGS Act, and the provisions of the regulations made under the OPGGS Act is primarily demonstrated through a titleholder's compliance with permissioning documents as described in section 5.1.

NOPSEMA will also advise of any non-compliance with sections 569, 572 and 572C and with directions given under Parts 6.2 and 6.4 of the OPGGS Act.

It should be noted, where a title is surrendered, in whole or in part, NOPSEMA may still direct the titleholder, former titleholder or certain other persons, under section 587 of the OPGGS Act to remove or make arrangements with respect to property, plug or close off wells, provide for the conservation and protection of natural resources, or make good any damage to the seabed or subsoil.

Key relevant sections (569 and 572) of Chapter 6 are summarised below:

4.3.1. Section 569 - Work practices

Section 569 of the OPGGS Act places requirements on titleholders in relation to work practices, where the titleholder must:

- Carry out operations in a proper and workmanlike manner and in accordance with good oilfield practice; and
- Control the flow, and prevent the waste or escape, of petroleum or water; and
- Prevent the escape of any mixture of water or drilling fluid with petroleum or any other matter; and
- Prevent damage to petroleum-bearing strata in an area in relation to which the permit, lease or licence is not in force; and
- Keep separate each petroleum pool discovered; and
- Keep separate sources of water (if any) discovered, as directed by the Titles Administrator; and
- Prevent water or any other matter entering any petroleum pool through wells except when required by, and in accordance with, good oilfield practice.

4.3.2. Section 572 - Maintenance and removal of property

Section 572 of the OPGGS Act places requirements on titleholders in relation to the maintenance and removal of structures, equipment and other property brought into a title area.



The principles that NOPSEMA will apply in compliance oversight and, where necessary, enforcement for non-compliance with section 572 of the OPGGS Act are set out in NOPSEMA's <u>Section 572 Maintenance and</u> <u>removal of property policy</u> (PL1903). Key points of the policy are summarised below:

Maintenance of property (section 572(2))

Section 572(2) of the OPGGS Act provides that:

A titleholder must maintain in good condition and repair all structures that are, and all equipment and other property that is:

- a. in the title area; and
- b. used in connection with the operations authorised by the permit, lease, licence or authority.

Removal of property (section 572(3))

Section 572(3) of the OPGGS Act provides that:

A titleholder must remove from the title area all structures that are, and all equipment and other property that is, neither used nor to be used in connection with the operations:

- a. in which the titleholder is or will be engaged; and
- b. that are authorised by the permit, lease, licence or authority.

Removal of property should be planned and undertaken throughout the operations authorised by the title when property is neither used, nor to be used.

In accordance with section 572(6) of the OPGGS Act, section 572(3) does not apply to structures, equipment or other property that was not brought into the title area by, or with the authority of, the titleholder.

Obligations subject to other provisions (section 572(7))

Notwithstanding that removal of all property is the base case², deviations from the property removal requirement of section 572(3) may be accepted by NOPSEMA through permissioning documents. A deviation in the context of this regulatory policy includes where a titleholder intends to do something that is different from the requirement of section 572(3).



Please refer to the <u>Section 572 Maintenance and removal of property policy</u> (PL1903) for <i>further information on duties and requirements on the maintenance and removal of property.



Please refer to the <u>Planning for Proactive Decommissioning Information Paper</u> (IP2002) for further information on planning for proactive decommissioning throughout the life cycle of a petroleum project.

4.4. Permissioning documents under the regulations

One of the ways in which NOPSEMA will be informed as to whether it is satisfied that the criteria as set out in section 270 of the OPGGS Act have been met is through permissioning documents, including under the Offshore Petroleum and Greenhouse Gas Storage (Safety) Regulations 2009 (Safety Regulations), the Offshore Petroleum and Greenhouse Gas Storage (Environment) Regulations 2009 (Environment

² As outlined in the Australian Government Guideline: Offshore petroleum decommissioning



Regulations) and the Offshore Petroleum and Greenhouse Gas Storage (Resource Management and Administration) Regulations 2011 (RMA Regulations):

- Any facility used to conduct works or operations related to a petroleum activity must have a registered operator and a safety case in force at all times. Any decommissioning related activities conducted at or near a facility must be described within the safety case.
- The environment plan (EP) is the key permissioning document under which arrangements in relation to property, conservation and protection of natural resources, and making good any damage to the seabed or subsoil prior to surrender of the title can be addressed by a titleholder and accepted by NOPSEMA.
- The well operations management plan (WOMP) is the key permissioning document under which arrangements in relation to permanently abandoning a well or wells prior to the surrender of the title can be addressed by a titleholder and accepted by NOPSEMA.



Please refer to the <u>Australian Government Guideline: Offshore petroleum decommissioning</u> for further information on regulatory requirements with respect to decommissioning approvals and permissioning documents.

4.5. UNCLOS and the International Maritime Organisation

Article 60 of the 1982 United Nations Convention on the Law of the Sea (UNCLOS) prescribes that any installations or structures which are abandoned or disused shall be removed. The International Maritime Organisation (IMO) is the competent organisation to deal with this subject.

The IMO Guidelines and Standards for the Removal of Offshore Installations and Structures on the Continental Shelf and in the Exclusive Economic Zone, adopted by IMO Assembly on 19 October 1989 (Resolution A.672 (16)), set out the principles to be applied regarding the removal of offshore installations and structures. The guidelines and standards do not preclude NOPSEMA from implementing more stringent removal requirements.

Australia is a signatory to the UNCLOS and therefore NOPSEMA will consider the principles in IMO Guidelines and Standards in its advice to the JA provided under section 270.

4.6. The London Protocol

Australia is a contracting party to the 1996 London Protocol to the Convention on the Prevention of Marine Pollution by Dumping of Wastes and Other Matter, 1972 (the London Protocol). Under the London Protocol the types of material that may be dumped at sea is limited to seven categories, which includes vessels and platforms or other man-made structures at sea.

Australia's obligations under the London Protocol are implemented by the Sea Dumping Act, which regulates the loading and dumping of wastes at sea, as well as the creation of artificial reefs. Under the Sea Dumping Act, "dumping" includes abandonment or toppling at site of platforms, other structures or equipment at sea. If a titleholder proposes to leave property partially or wholly in situ, or dispose of infrastructure at a different offshore site, a permit under the Sea Dumping Act may be required.



Please refer to the <u>Australian Government Guideline: Offshore petroleum decommissioning</u> for further information on other relevant Australian and international laws and conventions.



5. Considerations for the satisfaction of NOPSEMA

NOPSEMA must have information and evidence upon which to inform its advice to the JA as to whether it is satisfied that the criteria as set out in section 270 of the OPGGS Act have been met.

5.1. Compliance with permissioning documents

Titleholder compliance with accepted permissioning documents is the primary means by which NOPSEMA will satisfy itself that the criteria have been met.

Titleholders are expected, from the earliest stages of petroleum activity planning or offshore project development, to consider how decommissioning and remediation requirements can be met to the satisfaction of NOPSEMA.

NOPSEMA's advice to the JA will be informed by the titleholder's demonstration that the conditions and obligations in permissioning documents have been met.

Notwithstanding the above, there may be other circumstances that NOPSEMA will consider when preparing advice for the JA. Some of these may be the result of changing circumstances, new information or legacy outcomes and are discussed further in the sections below.

5.2. Matters NOPSEMA may consider when determining whether it is satisfied for the purposes of section 270

Although titleholder compliance with accepted permissioning documents is the primary means by which NOPSEMA will satisfy itself that criteria have been met, it is not the only means, nor is it an assurance of NOPSEMA's satisfaction for the purposes of section 270(3)(c) to (f).

NOPSEMA's advice to the JA as to whether it is satisfied the criteria have been met will be based upon the information available to NOPSEMA at the time a titleholder makes an application for consent to surrender the title.

Where changed circumstances raise concern and information becomes available which evidences a significant new risk or significantly increased risk to the integrity of a well, or a significant new or significant increase in environmental impact or risk, then these changes must be assessed by the titleholder. A titleholder may need to address the new or increased impact or risk by submitting (and obtaining acceptance of) new or revised permissioning documents in accordance with the Regulations.

A significant new or significant increase in impact or risk may be evidenced by information associated with, but not limited to:

- Titleholders self-assessment and evaluation of changing circumstances.
- Advances in technology, data from recent and relevant studies or updates to industry recognised standards and guidelines.
- An outcome from a petroleum activity where the assumptions, performance standards and measurement criteria described in the accepted permissioning document are not met.
- A legacy outcome as described in section 5.3 below.



5.3. Legacy outcomes with previous designated authorities

A legacy outcome refers to an outcome from any petroleum activity or offshore project undertaken prior to NOPSEMA becoming the regulator and there is uncertainty as to whether the outcome was dealt with in accordance with the regulatory process in force at the time.

For clarity, legacy outcomes do not refer to:

- A petroleum activity or offshore project undertaken in accordance with a permissioning document accepted by NOPSEMA.
- Wells that were not drilled under the current title, or under a title from which the current title was derived.
- Structures, equipment or other property that was not brought into the title area by, or with the authority of, the titleholder.

For legacy outcomes, NOPSEMA must be provided with sufficient information which demonstrates that the legacy outcome has been the subject of a regulated process.

NOPSEMA applies the following principles when considering legacy outcomes:

- If a titleholder can supply documentary evidence which clearly demonstrates the legacy outcome was dealt with by the previous Designated Authority in accordance with the regulatory process in force at the time, that information may be provided in support of an application to surrender title. If the titleholder cannot supply any relevant documents, NOPSEMA will consider that the acceptance or approval does not exist.
- If the titleholder is unable to provide sufficient evidence that the legacy outcome has been dealt with in accordance with a regulated process, then the petroleum activity will be taken to be ongoing. In this case, an accepted permissioning document(s) must be in force for the activity.

Measures to manage the potential risks arising from any legacy outcome shall be addressed by the submission of new or revised permissioning documents.

5.4. If titleholder obligations have not been met or NOPSEMA is not satisfied for the purposes of section 270

If, at the time an application for consent to surrender a title is made, titleholder obligations under Chapter 6 of the OPGGS Act or regulations have not been met, or NOPSEMA is not satisfied for the purposes of section 270(3)(c) to (f) of the OPGGS Act, NOPSEMA may:

- Refuse to accept the end of an EP under regulation 25A(b) of the Environment Regulations or refuse to give notice of the end of a WOMP under regulation 5.17(c) of the RMA Regulations. The EP or WOMP will then remain in force and may need to be revised to meet outstanding obligations.
- Request the titleholder provide further information in regard to the status of a petroleum activity, basis for ALARP risk assessment or technical studies addressing alternative outcomes.
- Require the titleholder comply with titleholder obligations set out in section 569(1) of the OPGGS Act.
- Direct the titleholder under section 574 of the OPGGS Act as to any matter in relation to which regulations may be made.



• Direct the titleholder or certain other persons under section 586 of the OPGGS Act to remove or make arrangements with respect to property, plug or close off wells, provide for the conservation and protection of natural resources, or make good any damage to the seabed or subsoil.

The submission of new or revised permissioning documents may be required to conduct petroleum activities associated with requests for information or required by direction notices.

Where titleholder obligations under Chapter 6 of the OPGGS Act or the regulations have not been met, or NOPSEMA is unable to be satisfied for the purpose of section 270(3)(c) to (f) of the OPGGS Act, then NOPSEMA will advise the titleholder and the JA.

In accordance with section 270(5), the JA retains the discretion to give consent to surrender a title if the JA is satisfied that there are sufficient grounds to consent to the surrender.

6. Removal of property – section 270(3)(c)

Subject to the matters outlined in section 4 and 5 of this policy, in principle, titleholder compliance with section 572 over the life of operations will form the basis of NOPSEMA's satisfaction for the purpose of section 270(3)(c).

When determining if titleholders have removed, or caused to be removed, all property brought into the surrender area, or made arrangements that are satisfactory to NOPSEMA in relation to that property, for the purposes of section 270(3)(c), NOPSEMA will take into account the principles set out in NOPSEMA's <u>Section 572 Maintenance and removal of property policy</u>.

7. Plugged or closed off all wells – section 270(3)(d)

When determining if titleholders have plugged or closed off all wells made in the surrender area to the satisfaction of NOPSEMA, for the purposes of section 270(3)(d), NOPSEMA will take into account:

- That all conditions and obligations set out in the WOMP have been met and the operation of a WOMP ends in accordance with regulation 5.17 of the RMA regulations.
- Whether the titleholders have complied with the requirements in section 569(1) of the OPGGS Act to the extent that the requirements relate to wells.
- Any information that has become available to NOPSEMA that may indicate a change in status of the integrity of the well.
- Whether, in the case of a declared petroleum exploration permit, declared petroleum retention lease or declared petroleum production licence, the well has been plugged or closed off in a way that is suitable for the injection or storage of greenhouse gas substances.

Conservation and protection of natural resources – section 270(3)(e)

For the purposes of section 270(3)(e) of the OPGGS Act, NOPSEMA considers the term natural resources found in section 7 of the OPGGS Act to have the same meaning as in paragraph 4 of Article 77 of the United Nations Convention on the Law of the Sea 1982.



That paragraph is as follows:

Natural Resources:

"The natural resources referred to in this Part consist of the mineral and other non-living resources of the seabed and subsoil together with living organisms belonging to sedentary species, that is to say, organisms which, at the harvestable stage, either are immobile on or under the seabed or are unable to move except in constant physical contact with the seabed or the subsoil."

For the purposes of this policy, NOPSEMA considers the term "conservation and protection" as used in section 270(3)(e) of the OPGGS Act to mean:

Conservation and protection:

The practice of safeguarding and preventing undesirable impacts upon the natural resources in a way that is consistent with the principles of ecologically sustainable development.

When determining if titleholders have provided for the conservation and protection of the natural resources in the surrender area to the satisfaction of NOPSEMA, for the purposes of section 270(3)(e), NOPSEMA will consider:

- Effective integration of both long-term and short-term economic, environmental, social and equitable considerations.³
- That lack of full scientific certainty has not been used as a reason for postponing measures to prevent environmental degradation where there were threats of serious or irreversible impact upon the natural resources.³
- The present generation has ensured the health, diversity and productivity of the natural resources is maintained or enhanced for the benefit of future generations (principle of inter-generational equity).³
- The conservation of biological diversity and ecological integrity of the natural resources has been fundamentally considered.³
- Whether the environmental impacts and risks to natural resources from petroleum activities authorised by the title have been demonstrated to be reduced to ALARP.
- Whether the environmental impacts and risks to natural resources from petroleum activities authorised by the title have been demonstrated to be of an acceptable level.
- Whether the well or wells have been plugged or closed off with an "eternal perspective"⁴ in accordance with the requirements in section 569(1) of the OPGGS Act to the extent they relate to the conservation and protection of the natural resources.
- International and domestic requirements that apply to the activity and are relevant to the conservation and protection of the natural resources.

³ Consistent with the principles of ecologically sustainable development in accordance with the objective found in regulation 3 of the Environment Regulations and section 3A of the EPBC Act.

⁴ As described in NORSOK Standard D-010:2021 10.6.2 Well barrier acceptance criteria.



9. Made good any damage to the seabed or subsoil – section 270(3)(f)

For the purposes of this policy, NOPSEMA considers the term "made good any damage" as used in section 270(3)(f) of the OPGGS Act to mean:

Made good any damage:

Unacceptable impacts and risks to the seabed and subsoil have been remediated to enable future unrestricted access, beneficial use and re-release for future use.

When determining if titleholders have made good any damage to the seabed and subsoil in the surrender area to the satisfaction of NOPSEMA, for the purposes of section 270(3)(f), NOPSEMA will consider:

- Effective integration of both long-term and short-term economic, environmental, social and equitable considerations.⁵
- That lack of full scientific certainty has not been used as a reason for postponing measures to prevent environmental degradation where there were threats of serious or irreversible impact upon the seabed or subsoil.⁵
- The present generation has ensured that the health, diversity and productivity of the seabed and subsoil is maintained or enhanced for the benefit of future generations (principle of inter-generational equity).⁵
- Titleholder's intent to achieve a "clear seabed", including removal of any property that may have been intentionally or unintentionally placed onto the seabed.
- Whether any damage to the seabed or subsoil caused by petroleum activities authorised by the title has been remediated so that environmental impacts and risks have been demonstrated to be reduced to ALARP.
- Whether any damage to the seabed or subsoil caused by petroleum activities authorised by the title has been remediated so that environmental impacts and risks have been demonstrated to be of an acceptable level.

10. Section 270 Decommissioning related expectations

10.1. Addressing section 270(3)(c), (e) and (f) in environment plans

For NOPSEMA to accept an EP, the plan must meet all the criteria in regulation 10A of the Environment Regulations.

For the purposes of section 270(3)(c), (e) and (f), the EP is to include a comprehensive description of any petroleum activity to be undertaken by a titleholder in relation to property, conservation and protection of natural resources, or making good any damage to the seabed or subsoil. For each petroleum activity, the EP is to include:

⁵ Consistent with the principles of ecologically sustainable development in accordance with the objective found in regulation 3 of the Environment Regulations and section 3A of the EPBC Act.



- A description of the environmental values and sensitivities including ecological, socio-economic and cultural features that may be affected by the activity and restrict access, beneficial use and/or rerelease of the title area for future use.
- An evaluation of all environmental impacts and risks appropriate to the nature and scale of each impact or risk, including consideration of ecological aspects (e.g. habitats & biodiversity, ecological connectivity, invasive species, productivity); potential impacts from legacy pollutants and contaminants associated with either drilling or oil and gas production (e.g. contaminant distribution, bioaccumulation, contaminant persistence and resuspensions, sub-lethal impacts from ongoing exposure); and socioeconomic aspects (e.g. fisheries, navigation, other marine users and ecosystem values).
- Details of control measures including remedial actions that will be used to reduce the environmental impacts and risks to ALARP and an acceptable level.
- The setting of appropriate environmental performance outcomes against which performance of the titleholder in conserving and protecting the environment or making good any damage will be measured.

10.2. Addressing section 270(3)(d) in well operations management plans

For NOPSEMA to accept a WOMP, the plan must have met all the criteria in regulation 5.08 of the RMA Regulations.

The WOMP must include a description of the arrangements that will be in place for permanently abandoning the well or wells (RMA Regulation 5.09(1)(I)). The intention is that this will also satisfy future obligations under section 270(3)(d).

The permanent abandonment of a well can be achieved independent of wellhead removal. The removal of well property such as the wellhead, or the acceptance of other satisfactorily arrangements, is subject to section 6 of this policy.

NOPSEMA considers NORSOK Standard D-010 and the Oil & Gas UK – Well Decommissioning Guidelines as good industry practice that may provide an acceptable basis for the arrangements that will be in place for permanently abandoning a well or wells.

When assessing a WOMP, NOPSEMA will take into account:

- How the actions taken during the process of permanently abandoning the well will ensure that the integrity of the well is maintained from an "eternal perspective"⁶.
- How the actions taken during the process of permanently abandoning the well will ensure compliance with section 569(1) of the OPGGS Act to the extent that the requirements relate to wells.
- How isolation between all zones in the well with flow potential will be achieved.

In accordance with RMA regulation 5.10, when circumstances change, a titleholder must submit to NOPSEMA a revision to a WOMP as soon as practicable after the integrity of the well becomes subject to a significant new risk or a significantly increased risk or before making a significant change to the manner in which risks to the integrity of the well are reduced to as low as reasonably practicable.

⁶ As described in NORSOK Standard D-010:2021 10.6.2 Well barrier acceptance criteria



In cases where a well abandonment was completed in such a way that NOPSEMA was unable to be satisfied that the well has been permanently abandoned in accordance with the considerations set out above, or well integrity has been compromised from an immediate or eternal perspective, NOPSEMA would likely refuse to give notice under regulation 5.17(c) of the RMA Regulations. The well would be considered to be in operation, and the WOMP would need to be revised to provide for ongoing monitoring and remedial work. In these circumstances, NOPSEMA may not be satisfied that the wells have been plugged and closed off and will provide this advice to the JA (refer to section 5.4).

10.3. Monitoring and survey expectations

To inform whether NOPSEMA may be satisfied the criteria have been met, titleholders may need to conduct monitoring or survey activities. Specific monitoring and survey activities shall be determined on a case-by-case basis after consideration of the impacts and risks of the petroleum activities and obligations in the permissioning documents.

NOPSEMA applies the following principles for monitoring and survey expectations:

- The final condition of the surrender area has been delivered as described in permissioning documents and control measures to manage the impacts and risks have been effective.
- The final impacts and risks upon the environment shall be determined by comparing the end state condition with either initial baseline data, background levels, or defined acceptable levels.
- Subsequent monitoring and surveys may be required based upon an assessment of risk to confirm the final condition has not changed and control measures to manage the impacts and risks remain effective. Consideration shall be given to the enduring risks associated with property that is not removed.
- Performance and/or written reports shall be provided for the duration of the petroleum activity including monitoring and survey activities.

Monitoring and survey activities are considered petroleum activities and must be undertaken in accordance with an accepted EP as described in Part 2 of the Environment Regulations.

10.4. Reporting

To inform whether NOPSEMA may be satisfied the criteria have been met, titleholders may need to issue reports detailing the outcomes of petroleum activities. Regulation 26C of the Environment Regulations requires reporting environmental performance for the activity. Regulation 5.17(b) of the RMA Regulations requires a written report regarding the outcome of the process of permanently abandoning a well or wells.

The report(s) should:

- Demonstrate that all conditions and obligations included in the accepted permissioning document have been met.
- Provide evidence that assumptions, performance standards and measurement criteria have been met where applied to conditions or obligations.
- Provide detail of any criteria that has not been met, and any changes to the conditions or obligations approved in the accepted permissioning document.
- Describe any variations from the accepted decommissioning operations and work plan.



- Confirm the control measures applied to manage the impacts and risks associated with an accepted deviation have been effective.
- Describe any impacts or consequences observed as a result of decommissioning operations and works.

The outline of contents of such reports shall be described in the relevant permissioning document.

10.5. Environment plan decommissioning activities

When all activities and obligations to:

- Remove, or cause to be removed, all property brought into the surrender area, or make arrangements that are satisfactory to NOPSEMA in relation to that property
- Provide for the conservation and protection of the natural resources in the surrender area
- Make good any damage to the seabed or subsoil in the surrender area

under the relevant EP have been completed, the titleholder may end the EP in accordance with the process outlined in regulation 25A of the Environment Regulations.

As described in section 10.4, titleholders should provide NOPSEMA a performance report.

When all activities have ended and all obligations have been completed, NOPSEMA will notify the titleholder in writing that end of the EP is accepted in accordance with regulation 25A(b) of the Environment Regulations.

10.6. Well operations management plan activities

When the processes undertaken to permanently abandon the well or wells have ended and all other obligations under the WOMP have been completed, the titleholder may end the WOMP in accordance with regulation 5.17 of the RMA Regulations.

As described in section 10.4, titleholders will provide NOPSEMA a written report in accordance with regulation 5.17(b) of the RMA Regulations.

When reasonably satisfied that the process of abandoning the well or wells has been undertaken in accordance with the WOMP, NOPSEMA will notify the titleholder in writing in accordance with regulation 5.17(c).

10.7. Compliance monitoring

NOPSEMA may inspect the compliance of the titleholder with relevant permissioning documents prior to providing acceptance of notification of completion of an EP under the Environment Regulations or notifying that it is reasonably satisfied that the well abandonment process has been undertaken in accordance with the WOMP.



Please refer to <u>NOPSEMA policy – Inspections – Monitoring and securing compliance</u> (PL1523) for more information on how NOPSEMA programs, plans, conducts and reports on its compliance monitoring inspections.



11. Related documents

Offshore Petroleum and Greenhouse Gas Storage Act 2006 (OPGGS Act)

- OPGGS (Environment) Regulations 2009
- OPGGS (Safety) Regulations 2009
- OPGGS (Resource Management and Administration) Regulations 2011
- N-00500-PL1903 Policy S572 maintenance and removal of property
- N-02100-PL1523 Policy Inspections Monitoring and securing compliance
- N-03000-PL1697 Policy Investigation
- N-04300-PL0052 Policy Safety case assessment
- N-04600-PL0842 Policy Well operations management plan assessment
- N-04750-PL1347 Policy Environment plan assessment
- N-05000-PL0067 Policy Enforcement
- N-20200-PL1020 Policy Provision of title related compliance information and advice to NOPTA
- N-04000-GL0225 Guideline Making submissions to NOPSEMA
- N-04750-GL1721 Guideline Environment plan decision making
- N-04000-GN1746 Guidance note Change to the titleholder with operational control of activities
- N-04300-GN0106 Guidance note Safety case content and level of detail
- N-04300-GN1975 Guidance note Ageing assets and life extension
- N-04600-GN1602 Guidance note Well operations management plan content and level of detail
- N-04750-GN1343 Guidance note Petroleum activities
- N-04750-GN1344 Guidance note Environment plan content requirement
- N-00500-IP2002 Information Paper Planning for Proactive Decommissioning
- Australian Government Guideline: Offshore petroleum decommissioning
- Australian Government Guideline: Trailing liability for decommissioning of offshore petroleum property
- NOPSEMA's Decommissioning Compliance Plan
- NOPSEMA's Decommissioning Compliance Strategy
- NOPTA fact sheet Surrender of offshore petroleum titles