



March 31, 2004

INFORMATION LETTER #OGC 04-20

SUBJECT: APPLICATIONS FOR OIL AND GAS ACTIVITIES WITHIN THE AGRICULTURAL LAND RESERVE

To Industry Clients:

Effective April 1, 2004, the Provincial Agricultural Land Commission (PALC) and the Oil and Gas Commission (OGC) entered into a delegation agreement under Section 26 of the *Agricultural Land Commission Act* (the "ALCA") whereby the OGC was delegated the authority to make decisions on specified oil and gas related non-farm use applications involving Agricultural Land Reserve (ALR) land within the Peace River Regional District and Northern Rockies Regional District area. The Oil and Gas Commission has the authority to decide applications submitted under section 20(3) of the *Agricultural Land Commission Act* as well as to administer and review all reporting and reclamation required for oil and gas uses that are exempted from an ALCA application under this agreement.

Oil and Gas Uses on ALR Lands Exempted from an Application:

All activities located in the Agricultural Land Reserve (private or Crown) that are exempt from an *Agricultural Land Commission Act* application under article 8 of the delegation agreement require submission of a Schedule A pre-site assessment, along with surface landowner authorization (or a Mediation Board Order) and a Schedule B reclamation assessment to the Oil and Gas Commission for the following oil and gas uses:

- First, second and third stand alone wellsite per quarter section or equivalent;
- All pipelines and surface facilities directly related to the pipeline (except major transmission lines); and
- Additional wells on existing leases.

Oil and Gas Uses on ALR Land Requiring an *Agricultural Land Commission Act* Application to the Oil and Gas Commission:

The OGC will consider the following applications under the ALCA as per article 7 of the delegation agreement (<http://www.ogc.gov.bc.ca/documents/forms/wells/OGC%20ALC%20Application.doc>). An application form specific to these uses must be filled out and submitted to the OGC offices along with a Schedule A pre-site assessment and surface landowner authorization (or Mediation Board Order). A Schedule B reclamation assessment is also required once the land is no longer being used for oil and gas purposes. The following uses will be considered by the OGC:

- 4th stand alone wellsite per quarter section or equivalent;

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- Battery, compressor station, drilling and production waste handling, produced water and gas handling or processing facility when the combined area of associated buildings and structures on the quarter section or equivalent is less than 450 sq. m.
- Electric power lines not adjacent to an access road; and
- Change in use from a well to: a battery; a compressor station; drilling and production waste handling; produced water and gas handling or processing facility; and when the combined area of associated buildings and structures on the quarter section or equivalent is less than 450 sq. m.

Please note, that beyond these thresholds, a non-farm use application to the Agricultural Land Commission is required. Please refer to the ALC website for the application form and process at www.alc.gov.bc.ca.

For clarification regarding the above uses, a copy of the full delegation agreement along with Appendix I (Responsible Agency for Applications under the ALCA) is available on both the ALC www.alc.gov.bc.ca/commission/working_min-agencies.htm and OGC website [http://www.ogc.gov.bc.ca/documents/informationletters/Delegation Agree Final for Signature Jan 2004.pdf](http://www.ogc.gov.bc.ca/documents/informationletters/Delegation%20Agree%20Final%20for%20Signature%20Jan%202004.pdf)

Please ensure that you review the revised Schedules A and B reporting requirements attached to the agreement, and note any changes that have been made to these reports and reclamation standards.

If you have any questions regarding the application process, please review the Application Guidance Document for Oil and Gas Activities within the ALR (found on the OGC website at <http://www.ogc.gov.bc.ca/documents/forms/wells/OGC%20ALR%20Application%20Guide.doc>).

For further information, please contact:

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Original Signed

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