



OIL AND GAS COMMISSION

July 28, 2004

To: Oil and Gas Stakeholders:

**Re: Agricultural Land Commission & Oil and Gas Commission Delegation Agreement Calculation of 7 Hectare Non-Farm Use/Quarter Section on ALR Lands**

The delegation agreement between the Agricultural Land Commission (ALC) and the Oil and Gas Commission (OGC) has been in effect since April 1, 2004. It has come to the attention of the Commissions that Article 9.3 of the delegation agreement is unclear. The Commissions would like to clarify that only existing wellsites, other surface leases and access roads that have not been given a Certificate of Restoration plus the proposed new use (not including pipelines) should be calculated when determining the 7 hectare per quarter section threshold triggering a non-farm use application to the ALC.

Due to the nature of pipelines and their installation techniques, the ALC assumes that most pipelines have been properly installed and reclaimed to an agricultural standard. If reclamation reporting (Schedule B) has not been completed for pipelines, the ALC encourages companies to do so. The OGC is committed to ensure that this occurs through normal compliance and enforcement inspections.

Please also note that geophysical exploration and powerlines **do not** require submission of Schedule A and B reporting.

We hope this letter will clarify this process. However, if you are still unclear or have further questions, please don't hesitate to call staff at either the ALC or OGC or visit our websites at [www.alc.gov.bc.ca](http://www.alc.gov.bc.ca) or [www.ogc.gov.bc.ca](http://www.ogc.gov.bc.ca).

Yours truly,

PROVINCIAL AGRICULTURAL LAND COMMISSION

A handwritten signature in black ink, appearing to read 'K. Miller', is written over a horizontal line.

K.B. Miller, Chair and Chief Executive Officer