

Public Notice Requirements

Directive PNG009

November 2015

Revision 1.0

Governing Legislation:

Act: *The Oil and Gas Conservation Act*

Regulation: *The Oil and Gas Conservation Regulations, 2012*

Record of Change

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1. Introduction

This Directive is designed to identify the specific types of applications or processes that require companies to notify offsetting or impacted mineral owners or operators. It also outlines the procedures and regulations of the Saskatchewan Ministry of the Economy (ECON) related to the Public Notice process in Saskatchewan.

Questions concerning the requirements set out in this document should be directed to the PNG support line at 1-855-219-9373.

1.1 Governing Legislation

The requirements outlined in this Directive are based on regulations in *The Oil and Gas Conservation Act (OGCA)* and *The Oil and Gas Conservation Regulations, 2012 (OGCR)*.

Section 108.9 of the *OGCA* contains regulations pertinent to the topics in this Directive. Licensees should consult this document in conjunction with this Directive.

It is the responsibility of all operators, as specified in the legislation, to be aware of Ministry requirements and to ensure compliance with all requirements prior to submitting an application.

1.2 Definitions

Disposed Crown land: means mineral land owned by the Government of Saskatchewan that is subject to an oil and gas permit, licence or lease.

Offset mineral owner/operator: means parties that are mineral owners or well operators that may be impacted by a proposed application

Undisposed Crown land: means mineral land owned by the Government of Saskatchewan that is not subject to an oil and gas permit, licence or lease.

Unit: means mineral lands where the mineral owners have pooled their interests via a formal agreement or where a field or pool was unitized pursuant to section 35 of the *OGCA*.

Unit lands: means the mineral lands contained with a unit

2. What Is Public Notice

Public notice is a notification process that provides mineral owners and working interest owners an opportunity to review applications for various types of oil and gas activities or projects that are offsetting or on their land(s). The process allows affected parties an opportunity to express concerns or provide objections to those activities to the applicant.

Only specific types of well activities or projects require companies to complete the public notification process (see section 2.2, below); however, **the Ministry may, at any time, issue a public notice or require public notice for any type of application, process or well, as deemed appropriate by the Ministry, outside of those defined within this Directive.**

Public notice may not be required if consents from offset parties are obtained (see section 3 of this Directive).

2.1 How the Public Notice Process Works

Prior to submitting an application for any of the processes identified in section 2.2 of this Directive, an applicant must make available to all possible impacted parties a public notice explaining the proposed project or well activity. The public notice is posted on the ECON website (called 'posted for notice'; see section 5 of this Directive for further details) and mailed out by the applicant to all impacted parties.

An applicant must also provide copies of the public notice and the application to anyone that may be impacted who requests it.

The information provided to a concerned offset or otherwise impacted party must include enough information to provide technical justification for the project or well activity that is being planned.

Concerned parties who receive the application information from the applicant have the opportunity to submit an objection to the proposed application. The objection must be submitted within 21 days of the public notice being posted (see section 2.3, below).

Once an applicant receives an objection from an affected party, they must work with the concerned party to try to resolve the issue.

The public notice process is complete once the notice is considered 'closed' (see section 7 for further details).

Once the public notice process has started it must be finished. An application cannot be made for a well or project if that application is currently posted for notice.

A company or individual may also choose to obtain consents from impacted parties in lieu of public notice. Further information on this is contained in section 3 of this Directive.

2.2 What Needs Public Notice

As specified in the guidelines or directives that apply to the following application types, companies must complete a public notice for certain types of applications prior to submitting the application. The following types of activities or projects may require notification be made to offsetting or impacted mineral owners or operators:

- Enhanced Oil Recovery (EOR) Projects
- Off-Target Wells
- Disposal/Injection Wells
- Storage Projects
- CO₂ Storage Projects
- Waterflood Projects
- Gas Processing Facilities
- Well Spacing Modifications

- Good Production Practice (GPP)
- Concurrent Production
- Measurement Exemptions

Appendix 1 contains tables summarizing which affected parties must be notified when the processes or types of activities listed above are planned by a company.

2.3 Notification Period

Once a Public Notice is issued, concerned parties have a period of 21 days in which to submit objections or comments.

Copies of the Public Notice must be mailed by the applicant via registered mail to those identified as being within the notification area (see tables in Appendix 1).

Objections—with supporting technical data, if required—must be submitted by concerned parties to the applicant within the 21 day notification period to be considered valid. Objections should be sent by registered mail.

If a request for additional time to review and respond on an application is made by an impacted party, a reasonable attempt to accommodate the request should be made by the applicant.

3. Consent in Lieu of Public Notice

A company may choose to obtain consents from all parties within the notification area as identified in the tables in Appendix 1. If all consents are obtained, then the public notice requirement is considered to be satisfied.

3.1 Consent Format

A consent letter shall include the following:

- the surface and bottom hole locations of all existing wells or facilities within the project area;
- the proposed well co-ordinates; and,
- the proposed pool(s) of interest.

The following clause or any other wording of the same meaning shall not be considered consent, “that if there are no responses received by a certain date it will be considered a non-objection...”

A consent letter must be signed to be valid.

A printed name and address of the person signing the consent letter should be provided along with the signature.

An example of an acceptable consent letter is shown in Appendix 2.

The type of consent should be clearly stated on the signature page. Refer to the relevant directive or guideline when determining what consent is required.

Signed consent(s) should be obtained from all affected parties. As a minimum, consents must be obtained from the following parties, based on the type of land impacted:

- Disposed Crown land – Consent from the disposition holder is required.
- Undisposed Crown land – Consent from the Saskatchewan Ministry of the Economy is required.
- Freehold mineral land – Consent from the freehold mineral owner is required. If freehold lessee is known, consent from the lessee is also required.
- Unit lands – Operator of the unit may provide consent; the consent must clearly indicate that consent is being provided by the unit operator on behalf of the unit and all unit parties.

3.3 Additional Consent Requirements

Consent letters should be kept by the company and provided to ECON if required as part of the application, or within 48 hours if requested by the Ministry.

4. What Must be Provided for Public Notice

An applicant must provide, upon request, copies of the application to any party offset as identified in the tables in Appendix 1 of this Directive.

It is the responsibility of the applicant to identify any potentially or directly affected parties outside of the minimum notification area and provide notification to these parties.

If, after an application has been approved, it is found that the application was not made available to an offset or possibly impacted party prior to submission of the application, the approval may be revoked.

The application information provided to a concerned offset party must include enough information to provide technical justification for the project or well activity that is being proposed.

Third party engineering reports and proprietary seismic data do not have to be shared within the public notice process, as long as the remaining data provides enough support and justification for the application being made.

5. How to Provide Public Notice

5.1 Website Posting

Public Notices are posted weekly on the ECON website. Email the *Public Notice Form* (Appendix 3) to PNsubmission@gov.sk.ca.

The Public Notice board is updated Friday of each week. Email submissions of public notice forms received by the preceding Wednesday will be posted. In the event of a statutory holiday falling on a Friday, the posting date will be the Thursday preceding the statutory holiday.

The 21 day period within which the notice is open for objection and comment commences once the notice is posted on the website.

An operator is responsible for monitoring the Public Notice board and ensuring a *Public Notice Form* that has been submitted has been posted.

5.2 Mail Notification

Hard copies of the completed public notice form are to be mailed out by the applicant to all of the affected parties via registered mail for all notices except those related to undisposed Crown lands. In these cases, the applicant is only required to send an electronic copy of the notice to Saskatchewan Ministry of the Economy. The email address for the delivery of the public notice is petlands@gov.sk.ca.

5.3 Other Methods

The website posting and mail notification are the minimum requirements for all applications that require public notice. A company may also conduct any additional notification processes if they deem it necessary, such as town hall sessions, advertisements in local media, etc.

6. Objections

It is preferred, but not required, that an objection is made using registered mail and using the form in Appendix 4. However, it is not necessary for an objection to be submitted using the form or to be sent by registered mail to be deemed valid.

As stated in section 2.3 of this Directive, an objection—with supporting technical data, if required—or comment from an affected or concerned party must be received by the applicant within 21 days of the public notice being issued.

Once an objection from an offset or impacted party is received by an applicant, it is the applicant's responsibility to work with the objector to try to resolve the problem.

Both applicant and objector must keep a record of all objections and any subsequent correspondence related to resolution or inability to resolve the objections.

7. Closing a Public Notice

7.1 No Objections Received

If no objections are received within 21 days of the *Public Notice Form* being posted, a company shall keep a record of the public notice and may proceed with the application.

7.2 Objections Received and Resolved

If objections are received and the company has worked with and resolved the objection of the objecting party, records shall be kept by the company detailing the objection and the resolution. The company can then proceed with the application.

7.3 Objections Received that Cannot be Resolved

If objections are received and the applicant and objector cannot come to an agreement, the company may submit the application and disclose that there are outstanding unresolved objections from public notice.

Information that must be included with the application in these cases consists of

- the public notice;
- all objections received; and
- all details of attempted resolution of the objection.

In addition, the objecting parties must be notified by the applicant that the application was submitted with unresolved objections.

8. Public Notice Expiry

A public notice remains valid for one year after it has been completed. A public notice process must be re-conducted if an application for reservoir project or well licence has not been made and approved within one year of the public notice completion date.

If an applicant becomes aware that mineral ownership/operators have changed or they make changes to their application that would alter the impact on off-setting parties after conducting the public notice, the applicant shall re-conduct the public notice prior to making an application.

Appendix 1: Public Notice Projects/Application Types and Their Notification Requirements

Table 1. Enhanced Oil Recovery Projects

Application Type	Who Should be Notified?	Size of Area Requiring Notification
New enhanced oil recovery project	All mineral lessors All mineral lessees All operators	1600 m from the outermost LSD in the application area
Expansion or modification of an existing enhanced oil recovery project	All mineral lessors All mineral lessees All operators	1600 m from the outermost LSD in the application area

Table 2. Gas Processing Facilities

Application Type	Who Should be Notified?	Size of Area Requiring Notification
Gas processing plant	All mineral lessors All mineral lessees All operators	1600 m from plant operations

Table 3. Oil and Gas Wells

Application Type	Who Should be Notified?	Size of Area Requiring Notification
Concurrent production	All mineral lessors All mineral lessees All operators	Oil and gas drainage units within a radius of 1600 m of the proposed concurrent producing well
Off-target well completions	All mineral lessors All mineral lessees All operators	Encroached upon drainage unit(s) of the proposed wellbore completion
Well spacing modification	All mineral lessors All mineral lessees All operators	Application area and drainage units directly offsetting the application area
Waiver of off-target penalty	All mineral lessors All mineral lessees All operators	Encroached upon drainage unit(s) of the proposed wellbore completion
Good production practice	All mineral lessors All mineral lessees All operators	Application area and drainage units directly offsetting the application area
Measurement Exemption	All Operators	All wells flowing in to a Battery, or Commingling of pools in a well

*Note – Some application types are not listed in the tables above, but if a completion being proposed via application will cause the completion to be off-target or not meet the well-spacing requirements, then a public notice is required in accordance with the above. For example - Application to Commingling.

Table 4. Injection Wells and Storage

Application Type	Who Should be Notified?	Size of Area Requiring Notification
Waste, acid gas, or brine (including potash brine) disposal	All mineral lessors All mineral lessees All operators	All drainage units within a radius of 1.6 km from the proposed disposal well
Produced water disposal, when into a hydrocarbon-bearing stratigraphic unit or into a stratigraphic unit not commonly used for disposal	All mineral lessors All mineral lessees All operators	All drainage units within a radius of 800 m (if disposing to an oil-bearing stratigraphic unit) or 1600 m (if disposing to a gas-bearing stratigraphic unit) from the proposed wellbore completion
CO ₂ Storage (not in relation to an EOR project)	All mineral lessors All mineral lessees All operators	A radius of 1.6 km from the proposed wellbore completion
Reservoir gas storage	All mineral lessors All mineral lessees All operators	The project area and the area within one section of the project area
Cavern storage	All mineral lessors All mineral lessees All operators	A radius of 1.6 km from the proposed cavern site
Waterflood	All mineral lessors All mineral lessees All operators	A radius of 800 m from the proposed injection well completion

Appendix 2: Example of a Consent Letter

Company XYZ
1234 Smith Street
Calgary, Alberta, TxX XXX

June 12, 20__

Joanne Smith
Box123
Regina, SK SxX xXx

Residences interest located at SE ¼ 2-3-4 W3M

This is a notice of intent to (project type or conversion) convert the well (01) 1-2-3-4 W3M into a water disposal well.

It is Company XYZ's responsibility to notify all parties deemed affected within the project zone.

Company XYZ intends to convert the existing oil well (01) 1-2-3-4 W3M into a water disposal well. Company XYZ is submitting an application to the Ministry of the Economy to convert the well for disposal of produced water from the surrounding area wells. The **TARGET STRATIGRAPHIC UNIT** for injection is the **Mannville Formation**, which has a thickness of 50 metres from a bottom depth 990 metres to a formation top of 940 metres. Company XYZ is planning on perforating the Mannville from 975 to 990 metres.

If you, Joanne Smith, have no concerns with this project moving forward, would you kindly sign this letter of consent and forward a signed copy back to Company XYZ via email or a hard copy by post mail.

If you would like discuss the project further, please contact Company XYZ at 306-123-4567.


Sincerely,

Al Simon, Lands
Company XYZ


Accepted this ___th day of _____, 2015

Joanne Smith

Appendix 3: Public Notice Form Example

<h1 style="margin: 0;">Public Notice</h1>		
<p><i>Use this form to notify offsetting parties as required within the Public Notice Directive for petroleum and natural gas operations development or potash disposal. It is the responsibility of the applicant to notify each offset party, a copy of this notice must be sent via registered mail to all off-set parties in addition to being posted on the Ministry of Economy's Public Notice Board.</i></p>		
<p>For a copy of the application, Contact:</p>		
Company:	ABC Petroleum	Mailing Address:
		123, 12 St E
Company Contact:	John Doe	City/Provinc:
		Calgary, AB
E-mail:	john.doe@abcpetroleum.com	Phone Number:
		403-555-5555
<p>Area:</p>		
<p>Project or Well Location:</p>		
LSD		Section
		12
Township	8	Range
		8
W	2	M
<p>Project Type:</p>		
<p>Waterflood Project Application</p>		
<p>Target Pool:</p>		
<p><u>Viewfield Bakken Sand Pool</u></p>		
<p><i>Notice period is three weeks from the date this notice is posted on the Ministry Accepted Website. A company is noticing the intention of applying for the above project and notification or consent is required as a result of that application. Persons directly off-set, as outlined in the Public Notice Directive, are entitled to a copy of the application or additional details of the application. Persons directly off-set or are concerned of an impact may provide an objection within the notice period to the applicant, objections may require technical support and are to be provided within the notice period to be considered valid.</i></p>		

Appendix 4: Objection Form Example

<p>Statement of Objection to Public Notice Application</p>			
<p><i>This form may be used to lodge an objection to an application on public notice. Operational complaints about existing operations should be directed to service desk at (306) 787-1844. An objection is to be provided to the application within three weeks of the public notice posting to be considered valid, (via registered mail is preferred).</i></p>			
<p>Your Contact Information:</p>			
Name:	Jane Doe	Mailing Address:	Box 55
Postal Code:	S0P 4L9	City/Province:	Cupar, SK
E-mail:	Jane.Doe@yahoo.com	Phone Number:	306-555-5555
<p>State the location of the proposed project or activity in relation to you, your residence, your land, or land which you have an interest.</p>			
<p>It is next to my mineral lands.</p>			
Your Land description (if Known):	LSD	Sec 4	Twp 8 R 8 W 2 M
Project Location:	LSD	Sec 5	Twp 8 R 8 W <input checked="" type="checkbox"/> M
Public Notice(s) no.:	123456		
<p>Please include what you are objecting to and the details of your objection if required:</p>			
<p>I am concerned this is going to affect the wells on my land and I would like the injection to be moved further away and to have a production fence. I have attached additional details of my objection.</p>			
<p><i>I understand the company may proceed with this application to the ministry if this objection is not resolved. The applicant is required to notify me when the application is made and must include all information related to my objection and subsequent correspondence as part of their application.</i></p>			
Name(s) (Required)	Jane Doe		Phone Number: (Required) 306-555-5555
E-mail:	Jane.Doe@yahoo.com	Company:	N/A
Date:	November 19, 2015		
Signature:	<p>Jane Doe Digitally signed by Jane Doe Date: 2015.11.13 11:28:49 -06'00'</p>		