



NOTICE TO ALL OPERATORS

January 22, 2014

TO: ALL SASKATCHEWAN WELL AND UPSTREAM FACILITY LICENSEES

RE: **SUBMISSION OF DELINQUENT OIL AND GAS ANALYSIS
INFORMATION AND NEW OIL ANALYSIS REQUIREMENTS**

Regulatory requirements with respect to submission of oil and gas analysis are governed by section 83 of *The Oil and Gas Conservation Regulations, 2012*, as shown below:

- 83(1)** The minister may require an operator to take and analyze a sample of oil, gas, water, products or other substances from a well at any time and in any manner that the minister considers advisable.
- (2) The operator shall submit to the minister each analysis that the operator causes to be made of the samples of oil, gas, water, products or other substances recovered.
- (3) The analysis submitted pursuant to subsection (2) must be submitted by the earlier of:
- (a) 30 days; and
 - (b) any other period that the minister may require.

While the regulations are clear that each oil and gas analysis performed is required to be submitted to the Ministry of the Economy (ECON), the number of oil and gas analyses actually received by ECON is not believed to be representative of industry practice.

In order to update ECON records and support proper development of provincial oil and gas resources, ECON is requesting that companies review their internal records and submit (in "pdf" format) any analysis that has not been previously submitted to the ministry. To assist Industry in determining which analyses have or have not been previously submitted, ECON has posted a spreadsheet, Saskatchewan Oil Analysis, on its website at <http://economy.gov.sk.ca/WFIP> that lists a summary, by WID, BA ID and sample point of all oil and gas analyses that have previously been submitted to the ministry. Where multiple oil analyses have been done at the same sample point, ECON is asking that the most recent analysis for each zone (if multiple zones have been tested) be submitted. Please note that these submissions will not be subject to penalty for late reporting.

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ECON requires the additional information as soon as possible, especially with respect to density and sulphur content for oil. Therefore, ECON requires companies to submit any previously unsubmitted oil analysis before the end of May 2014 and any previously unsubmitted gas analysis by the end of August 2014.

If your company has electronic oil analysis information in your system and the original document or electronic file that was originally provided by the company that did the full analysis is no longer available, ECON requires that you provide the electronic information in a spreadsheet format as shown below.

For Well Sample Points:

LICENCE NUMBER	Unique Well Identifier	Date of Analysis	DENSITY	DENSITY	SULPHUR CONTENT
			(API)	(kg/m3)	(gm/kg)

For Facility Sample Points:

Facility Code	Date of Analysis	DENSITY	DENSITY	SULPHUR CONTENT
		(API)	(kg/m3)	(gm/kg)

Please submit complete oil and gas analyses and the spreadsheet, if applicable, by email to: Geodata@gov.sk.ca

NOTE:

- 1) The below mentioned naming convention is applicable for all analyses being submitted. The examples used below are for oil analyses. Please substitute the word "gas" for "oil" in the case of gas analysis submissions.
- 2) For complete analyses submissions related to well sample points (pursuant to subsection 5(3) of *The Oil and Gas Conservation Regulations, 2012*.
 - a) When sending one file per email message (ECON's preference), the email subject line should be Licence Number and the type of well (eg 10H123 – HZ) and file attachment name is Licence Number - Oil Analysis.
 - b) When sending multiple files in one email, the email subject line should be Company Name – Oil Analysis and the file names should be Licence Number – Oil Analysis.

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- 3) For complete analysis related to facility sample points:
 - a) When sending one file per email message, : the email subject line should be Company Name - Facility Code and the file name should be Facility Code -Oil Analysis.
 - b) When sending multiple files in one email, the email subject line should be Company Name – Oil Analysis and the file names should be Facility Code, Oil Analysis.
- 4) For well sample point analysis in spreadsheet format, the email subject line should be Company Name – Oil Analysis., Format of the spreadsheet will be Licence Number, UWI, Sample Point, and analysis breakdown.
- 5) For facility sample point analysis in spreadsheet , the email subject line should be Company Name – Oil Facility Analysis, and the file name should be Company Name - Facility Code. Format of the spreadsheet will be Licence Number, associated UWI's, Sample Point, and analysis breakdown.

NEW REQUIREMENT

In order to ensure more complete oil analysis information for reservoir management purposes and to supplement ECON oil price validation processes, effective March 1, 2014, all new oil wells drilled outside of a defined pool boundary will be required to perform and submit an oil analysis to ECON, pursuant to subsection 83(1) of *The Oil and Gas Conservation Regulations, 2012*.

The initial oil analysis must be performed from an oil sample taken during the first month in which oil is produced from the well and that analysis must be submitted to ECON before the end of the following month. Late submissions will be subject to penalty.

Questions related to submission or collection of this information should be directed to Mr. Thomas Schmidt, (306) 787-2562. All other inquires may be directed to Mr. Bert West, (306) 787-2318.

Sincerely,



Ed Dancsok

Assistant Deputy Minister, Petroleum and Natural Gas Division

cc: Bert West, Director, Engineering Services,
Thomas Schmidt, Manager Well Records, PDMC, ECON