

## Well Data from Crown Rights without Title Interest

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Most of the subsurface petroleum and natural gas resources in British Columbia are owned by the Province. The Ministry of Energy, Mines and Low Carbon Innovation issues petroleum and natural gas tenures that grant the tenure holder the exclusive right to test or produce petroleum and natural gas, depending on tenure type (i.e. lease, license or permit). Rights are provided to specific areas and may include rights to all depths or may be restricted to certain geological formations.

The following outlines the expectations of the British Columbia Energy Regulator (BCER) with respect to the collection of well data from zones for which the operator does not hold tenure.

Operators are required to record wireline log data for the entire wellbore, regardless of tenure rights, as per Section 34 of the Drilling and Production Regulation. An operator may drill beyond the base of its rights only to a depth sufficient to permit the evaluation of these rights by well logs and samples, and to determine that they have been fully penetrated. The BCER expects this “over hole” depth will not exceed 20 metres. Where deeper penetration may occur, the BCER must be notified in advance and provided with supporting rationale.

**Testing or sampling of reservoir fluids or pressures are not permitted in zones for which a permit holder does not hold a title interest unless the permit holder submits documentation to the BCER demonstrating the written consent of the rights holder (including from the appropriate Ministry where the rights are owned by the Crown). Testing or sampling includes, but is not limited to, activities such as diagnostic fracture injection tests (DFIT), drill stem tests (DST), wireline conveyed tests (such as a repeat formation tests), and coring.**

Sections 110 and 126 of the Petroleum and Natural Gas Act prohibit the collection of any information or production of petroleum or natural gas deemed to be the property of the government.

### **Section 110 Prohibition**

**A person must not, except under this Act and the Energy Resource Activities Act (ERAA),**

**(a) do or cause to be done any geological or geophysical work or drilling by way of or incidental to exploration for petroleum or natural gas that is the property of the government, or**

**(b) produce or cause to be produced or do or cause to be done anything for the purpose of producing petroleum or natural gas that is the property of the government.**

### **Section 126 Exploration licence for underground storage area**

**(1) A person must not explore for a storage reservoir unless**

**(a) either**

**(i) the person is licensed by the minister under subsection (3), or**

**(ii) the exploration consists only of geophysical exploration, and**

**(b) the exploration is carried out in accordance with the Energy Resource Activities Act (ERAA).**

Where unauthorized testing of Crown Reserve has occurred, the BCER, as per Section 19 of ERAA General Regulation, may order the data obtained be released from confidential status. The permit holder may voluntarily release well data from confidential status by providing written consent, as per section (17)(7)(b) of ERAA General Regulation

### **Crown reserves**

**19 If a location or a part of a location is or becomes Crown reserve, all geological and geophysical reports and well reports and well data for that location or part of a location may be released from confidential status.**

For further information, please email [EnergyGeoscience@bc-er.ca](mailto:EnergyGeoscience@bc-er.ca)