

INFORMATION LETTER

OIL AND GAS DIVISION

OGD-12-06

SUBJECT: DEFERRED PARCEL SHAPEFILES

Provincial petroleum and natural gas (PNG) rights are acquired by industry through Crown dispositions, which are monthly scheduled competitive sealed-bid auctions. The offering of specific PNG rights is typically requested by industry, but the decision to dispose of PNG rights is at the discretion of the Ministry of Energy, Mines and Natural Gas (the Ministry).

All tenure requests are subject to a pre-tenure review, which involves a referral process where the Ministry seeks input from First Nations, local governments, the Oil and Gas Commission and other provincial government agencies that may have specific knowledge about the requested parcel area. The purpose of this referral process is to identify environmental, community and First Nations' considerations which the Ministry takes into account in determining whether the parcel could be made available for disposition. Considerations identified as part of the pre-tenure review may be included as caveats (i.e, tenure terms) of the tenure when it is advertised for disposition and in any tenure documents subsequently issued to a company.

Once the referral process is complete, the Ministry determines which parcels will be offered for disposition and publishes the descriptions of offered parcels in a Notice of Public Tender (available at

http://www.empr.gov.bc.ca/TITLES/OGTITLES/SALESNOTICES/Pages/default.aspx) and the BC Gazette.

The referral process may result in some parcels not being put forward, being reconfigured, or being "deferred" for disposition until a later date if more time is required to address an issue. The latter is done through further consultations with the respective provincial government agencies, First Nations or local governments.

A shapefile and pdf map of currently deferred parcels which industry has requested the PNG rights for can be found at:

http://www.empr.gov.bc.ca/TITLES/OGTITLES/SALESNOTICES/Pages/default.aspx

To view the shapefile you will need ArcGIS software. To view the maps you will need Adobe Acrobat Reader. It is advisable to download maps before viewing by right-clicking and using the "save as" function.

NOTE: Before downloading, please ensure your computer is capable of handling large files.

The shapefile includes all parcels that have been deferred up to, and including, the year/month in the label [Example: 1208001 = 2012 August parcel 001]. Please note that the shapefile reflects surface areas beneath which subsurface PNG rights have been requested; they do not indicate which subsurface formations have been requested. Please also note that no decisions have been made yet by the Ministry as to whether and when the deferred parcels will be made available for disposition.

The Ministry will keep the original requestor informed of any decision on the ability to dispose of the PNG rights requested. As the Ministry determines which deferred parcels will be offered for disposition, the Ministry will publish the descriptions of offered parcels in a Notice of Public Tender and the BC Gazette.

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