

Dormant Sites Reclamation Program Questions and Answers

Updated - May 28, 2020

Eligible Costs

- 1. Winter access sites are captured within the priority criteria. Building of ice roads might be required, will the cost to build the roads be an eligible cost?
 - Yes. Site access costs can be included as an eligible cost under the Program.
- 2. Can our client use the program to abandon a dormant compressor facility where there is an active well near by or do they have to wait until the entire site is deemed dormant?
 - No. As per, https://www2.gov.bc.ca/gov/content/industry/natural-gas-oil/responsible-oil-gas-development/dormant-sites-reclamation-program/funding-increments
 - For Increment 1, "Applications being accepted by British Columbia contractors for work on dormant oil or natural gas sites located in British Columbia that are defined to be dormant or where a permit holder has provided notice that a wellsite is dormant under the Dormancy and Shutdown Regulation"
- 3. Will the program include work to abandon a pipeline or remove unused surface equipment from a site with an abandoned, or scheduled to be abandoned well, as part of decommissioning work of a dormant site?
 - All decommissioning activities according to the Dormancy and Shutdown Regulation are eligible. See

https://www2.gov.bc.ca/gov/content/industry/natural-gasoil/responsible-oil-gas-development/dormant-sites-reclamationprogram/funding-increments

- For Increment 1. "Applications being accepted by British Columbia contractors for work on dormant oil or natural gas sites located in British Columbia that are defined to be dormant or where a permit holder has provided notice that a wellsite is dormant under the Dormancy and Shutdown Regulation"
- 4. Will the program include work to abandon/decommission or complete environmental closure work at a facility with a facility ID and not a well with a WA number?
 - No. See https://www2.gov.bc.ca/gov/content/industry/natural-gas-oil/responsible-oil-gas-development/dormant-sites-reclamation-program/funding-increments
 - For Increment 1. "Applications being accepted by British Columbia contractors for work on dormant oil or natural gas sites located in British Columbia that are defined to be dormant or where a permit holder has provided notice that a wellsite is dormant under the Dormancy and Shutdown Regulation".
- 5. Are downhole abandonment operations and cut and cap of casing strings at surface considered eligible activities under the program?
 - Yes. See https://www2.gov.bc.ca/gov/content/industry/natural-gas-oil/responsible-oil-gas-development/dormant-sites-reclamation-program/funding-increments
 - For Increment 1. "Applications being accepted by British Columbia contractors for work on dormant oil or natural gas sites located in British Columbia that are defined to be dormant or where a permit holder has provided notice that a wellsite is dormant under the Dormancy and Shutdown Regulation"

Proof of Eligible Criteria

- 6. What kind of document would be sufficient proof that the Permit Holder's Wellsite meets the eligible site criteria?
 - This is not required at application time but may be required once an application has been approved. Written confirmation from a qualified professional and/or a map showing location in respect of environmental, indigenous eligible criteria or relationship to applied-for dormant sites for sites that meet area-based efficiency requirements. See

https://www2.gov.bc.ca/gov/content/industry/natural-gasoil/responsible-oil-gas-development/dormant-sites-reclamationprogram/funding-increments

- 7. For a site that falls into this criteria: "Sites on Crown land that are winter access only" what would be expected as proof of this?
 - Please see answer to Question 6.
- 8. Will the Sites that are Nominated from June 15, 2020 to September 30, 2020 be available publicly so that we can engage Permit Holders for the second tranche?
 - Yes. The intention is to have the list of all nominated sites publicly available prior to the second increment of funding applications.
- 9. The *How to Apply* header states that a *Good standing report* is required; is this referring to consulting companies Annual Filing Report? Can you please confirm what is required for the *Good standing report*.
 - "Good standing report" has been removed from <u>https://www2.gov.bc.ca/gov/content/industry/natural-gas-oil/responsible-oil-gas-development/dormant-sites-reclamation-program#need-to-apply</u>
- 10. Could I please ask for a definition of a **community gathering area?**
 - A community gathering area would include areas where common gatherings of public are held, such as schools, religious buildings, Indigenous cultural centres, community halls, etc.

Eligible Applicants

- 11. Services companies must be B.C. based, can the contractors and consultants doing work for the service company be out of province?
 - See https://www2.gov.bc.ca/gov/content/industry/natural-gas-oil/responsible-oil-gas-development/dormant-sites-reclamation-program
 - Eligible Applicants can be "Oil and gas field service companies and contractors based in British Columbia, with registration, office and operations in British Columbia"

- However, there is no specific requirement for sub-contractors to be based in British Columbia.
- 12. Who is classified as a British Columbian? Is it based on having a B.C. address or tax returns filed as a B.C. resident for 2019?
 - To satisfy the requirement of British Columbian, the Applicant must provide details of their company, with registration, office and operations in British Columbia.
- 13. How do you plan to monitor and control that it is only B.C. people providing the services?
 - To satisfy the requirement of British Columbian, the Applicant must provide details of their company, as well as that of the permit holder. Applicants that are not registered companies in British Columbia cannot complete the Application process.
- 14. Do you have plans in place to be able to determine whether an Alberta company with extra provincial registration is using B.C. employees for any work, versus bringing in abandonment crews from Alberta?
 - The Province realizes that some specialist companies are not based in British Columbia. The eligibility criteria states that the Applicant company must be an oil and gas field service company or contractor based in British Columbia, with registration, office and operations in British Columbia and companies and contractors must have a valid contract with a British Columbian oil and gas activity permit holder for a dormant site; however, there is no specific requirement for sub-contractors to be based in British Columbia.
- 15. How will the program view Extraprovincial corporations with head office and majority of employees in Alberta?
 - Please see Question 12 above.
- 16. Are there requirements to list the local sub-contractors that will be utilized during project execution?
 - There is no requirement to list local sub-contractors during the initial application process; however detailed description of work including subcontractor information must be provided to meet Terms and Conditions when entering into an Agreement with the Province.

Contractors and consultants

- 17. Does the statement "the company responsible for doing the contracted work have to apply for the funding? Contractors and consultants may not apply on other's behalf" we would have to get laboratories and environmental drilling companies to apply for the same sites to complete the work?
 - If you have a contract with the permit holder you must be the company that applies. A third party cannot submit an application on behalf of the Applicant as they are not the prime contract-holder. The Program is designed to accommodate one lead Applicant that will coordinate work with sub-contractors.
- 18. In the case of a down hole well abandonment, there is potentially numerous different contractors involved. Would it be acceptable for each major service company to apply individually (example: Service Rig, Wireline and Engineering/Supervision under separate applications) and then have minor services such as Water Truck, Grader, etc. be subcontractors with their costs included by the applicant?
 - Yes. The Applicant must be an oil and gas field service company or contractor based in British Columbia, with registration, office and operations in British Columbia and have an agreement in place with a permit holder to complete the prescribed work. The Program is designed to accommodate one lead Applicant that will coordinate work with subcontractors. Subcontractor costs should be included by the applicant.
- 19. If an environmental consulting company is organizing the work, does the consultant include the cost of all supporting vendors within their cost estimate and application?
 - Yes. Companies and contractors must have a valid contract with a British Columbian oil and gas activity permit holder for a dormant site
- 20. What would classify as a valid contract? We generally operate with Master Well Service Agreement along with an Exhibit A specifying Well Authorization Number. We would like to confirm that this would be sufficient.
 - The Province will accept Master Well Service Agreements as long as there is indication that Well Authorizations being applied for matches those provided in the contract and the contractor is qualified to complete the type of work applied for.
- 21. In regard to *Program Requirements,* is the signed agreement with the permit holder an agreement specifically designed for the Dormant Sites Reclamation

Program; or do prior contracts (such as a preexisting Master Service Agreement) with the permit holder fill the requirement?

The Province will accept Master Well Service Agreements as long as there is indication that Well Authorizations being applied for matches those provided in the contract and the contractor is qualified to complete the type of work applied for.

Legal Obligations

- 22. Once the application is made, is the Oil and Gas Company legally bound to complete the work that was outlined in the application?
 - The Applicant can withdraw their application any time before the initial 10% funds are provided by notifying the Province. The Application can be withdrawn after payment, but this would require full payment to be refunded from the Proponent to the Province.
- 23. Is there a definition or additional context for the meaning of no "subject to" clause? Is there an example of a prohibited contract clause?
 - Specifically, a clause cannot be placed in a contractual agreement stating that work will not be continued if funding is not approved through the Program.
- 24. What happens to money for an approved application if it is not fully required (i.e. the site doesn't require further work etc.).
 - If an approved recipient and does not complete the work as agreed to in the agreement, the approved recipient would be required to pay back in full the payment received from the Province.

Application Rules and Submission Access

- 25. Is this a 'first come first served' program?
 - The answer can be found on <u>https://www2.gov.bc.ca/gov/content/industry/natural-gas-oil/responsible-oil-gas-development/dormant-sites-reclamation-program/funding-increments</u>

- 26. What portal/platform is being used for applications? We would like to confirm that vendors in B.C. have the correct portals set up in advance of May 25.
 - The portal will be available through the Province of British Columbia and will not require log in.
- 27. Can you provide information regarding which application portal will be used for this program? Also, how many users are allowed per service provider?
 - See answer to Question 26 above. Users are not limited by service provider.
- 28. Our contractors have been asking where they can go to get set up for a user name and password in order to do submissions on Monday? Do you have any information regarding this that we can supply them?
 - For the most up to date information, navigate to the Dormant Sites Reclamation Program website. You will find more information under "How to Apply". https://www2.gov.bc.ca/gov/content/industry/natural-gas-oil/responsible-oil-gas-development/dormant-sites-reclamation-program#need-to-apply
- 29. Will there be an online link for the application on the same webpage https://www2.gov.bc.ca/gov/content/industry/natural-gas-oil/responsible-oil-gas-development/dormant-sites-reclamation-program?
 - At the bottom of the page there is an "Apply" button. Online applications will open on Monday May 25th, 2020.
- 30. Please advise on if we can apply for multiple sites in a single application, we want to reduce the efforts on both parties.
 - Yes.
- 31. Is there a date in which the work must start under the first funding increment?
 - The purpose of the program is to support jobs, help B.C. workers, the environment and economy. A priority of the first increment is to advance shovel-ready projects and put people to work. The Province reserves the right to prioritize funding for programs of work that will begin during the period of the first increment. For all funding increments the agreed-upon work must be completed by December 31, 2022

- 32. Is it possible for the contractor to apply under the first funding increment and perform the work in future years?
 - The purpose of the program is to support jobs, help B.C. workers, the environment and economy. A priority of the first increment is to advance shovel-ready projects and put people to work. The Province reserves the right to prioritize funding for programs of work that will begin during the period of the first increment. For all funding increments the agreed-upon work must be completed by December 31, 2022
- 33. Are applications to be submitted using the OGC Well Authorization, or per well surface location (for multi pad sites)?
 - Application process will require an Applicant to submit using OGC Well Authorization Number.
- 34. Are applications to be submitted per phase of work (Stage 1, Stage 2, etc.) or are the phases to be included within one application form per OGC Well Authorization/Surface Location?
 - Application process will require an Applicant to submit using OGC Well Authorization Number and by proposed phase of work.
- 35. Will Prime Contractors / General Contractors be approved for applications where all project costs are included in the funding request?
 - The question is unclear.

Defining Terms

- 36. Please clarify what is considered a "Good Standing Report" as listed in the information needed to apply. Would the Municipal Tax receipt meet this requirement?
 - Good standing report has been removed from information required to apply.
- 37. In the Funding Increments page, it states "\$100,000 (per application per closure activity)". Please describe what "Closure activity" means. Is it well abandonment, well decommissioning, well assessment, well remediation and well restoration? How about pipeline abandonment and facility decommissioning, assessment and restoration?
 - See https://www2.gov.bc.ca/gov/content/industry/natural-gas-oil/responsible-oil-gas-development/dormant-sites-reclamation-program

 Closure activities are the contracted work for the application which include: Abandonment, Preliminary Site Investigation, Detailed Site Investigation, Remediation, and Reclamation. Pipeline and facility abandonment are not included as an eligible activity for increment.

Dormant Site Status

- 38. Does submission of a Liability Reduction Plan to Oil and Gas Commission meet the intent of providing notice?
 - For a site to be eligible to be included in an application it must be designated as a dormant site by the Oil and Gas Commission and it must be included on the OGC live external report of dormant sites. All requirements to complete proper notification to all interested persons as required in the Dormancy and Shutdown Regulation are still mandatory.
- 39. Permit Holders are allowed to "Deem" a well in an area program as "Dormant". How long will it take the OGC to update their website. Is there a risk that if the OGC Dormant List is not updated to reflect a well as "Deemed Dormant" that the application could be rejected?
 - It is anticipated that the live external list of dormant sites will be updated on a daily basis. Permit holders are encouraged to submit their Site Dormancy Declaration Forms and to submit them to <u>dormantsites@bcogc.ca</u> a minimum of 24 hours prior to application submission.

Submission Dates and Key Dates

- 40. When will the FAQ page be available?
 - Friday May 22nd, 2020, and this will be updated weekdays at 4pm Pacific Time. Check back frequently to the program website: https://www2.gov.bc.ca/gov/content/industry/natural-gas-oil/responsible-oil-gas-development/dormant-sites-reclamation-program
- 41. Are the Application Forms available prior to May 25th?
 - No.
- 42. Can you apply to complete restoration before a stage 2 is completed?
 - Yes. There is ability to add costs for all stages of reclamation in the application process including abandonment, Stage 1 and Stage 2 site investigation, remediation and reclamation.

- 43. When applying for funding, do we include estimates for all proposed work (Stage 1's, Stage 2's, Remediation or Reclamation) or should we only include the Stage 1 and 2's then wait for the Second Increment application to open? If we apply for all proposed work, we will not have an accurate estimate for remediation activities (These costs vary greatly) if this is even required.
 - There is ability to add costs for all stages of reclamation in the application process including abandonment, Stage 1 and Stage 2 site investigation, remediation and reclamation.
 - Estimated costs provided in an application will be compared to the deemed liability as per the B.C. Oil and Gas Commission's Liability Management Program and may be used in application selection.
- 44. If Stage 1 work has been completed already can we apply for all remaining stages of work (Stage 2's, Remediation or Reclamation)?
 - Yes.
- 45. Some wells are not yet consider "dormant". If a company submits the Voluntary Dormancy Friday, May 22nd, 2020, can it submit an application for these wells when the program opens Monday, May 25th, 2020?
 - Yes.
- 46. What qualifies as proof for a site to be categorized as "winter access"?
 - Please see answer to Question 6.
- 47. Can an oilfield service company, such as a service rig contractor, act as a Prime Contractor and subcontract the scope of work to other service companies i.e. cementing, wireline, water truck services?
 - Yes, see above answers regarding sub-contractors.
- 48. Closure activity includes multiple contractors performing specific tasks. Will each contractor need to submit their own application for specific work performed to complete closure activities?
 - See answers regarding sub-contractors above.
- 49. If applications are unable to be aggregated under one contract then each oilfield service contractor will need to enter into a written agreement with the producer and make individual application submissions under the specific well authorization.

- See answers regarding sub-contractors above.
- 50. Is it possible to aggregate some of the smaller services under a larger contractor and allow for one company to apply for all activities?
 - See answers regarding sub-contractors above.
- 51. Can main B.C. based companies subcontract with out of province vendors?
 - See answers regarding sub-contractors above.
- 52. Can applicants apply for multiple stages or does each service provider need apply for a subsequent stage of funding?
 - Yes.
- 53. If a contaminated sites investigation is successful, do they need to reapply for the next stage (remediation), or does funding continue up to the \$100,000 max value as they continue work on the same site?
 - If remediation was included in the initial application, no reapplication would be required.
- 54. Is there a definition of "closure activity" beyond the general descriptions of Abandonment, Contaminated sites investigation, Reclamation, Remediation?
 - See the Dormancy and Shutdown Regulation.
- 55. Will the program include work to abandon a pipeline or remove unused surface equipment from a site with an abandoned, or scheduled to be abandoned well, as part of decommissioning work of a dormant site?
 - See answer to Question 3.
- 56. Will building of ice roads qualify as an eligible cost?
 - See answer to Question 1.
- 57. Will the program include work to abandon/decommission or complete environmental closure work at a facility with a facility ID and not a well with a WA number?
 - See answer to Question 4.

- 58. Is proof of payment for municipal taxes required with application?
 - See answer to Question 36.
- 59. Would the Municipal Tax receipt meet this requirement?
 - See answer to Question 36.
- 60. Is the 50% confirmed / guaranteed for all successful applications?
 - See https://www2.gov.bc.ca/gov/content/industry/natural-gas-oil/responsible-oil-gas-development/dormant-sites-reclamation-program/funding-increments
- 61. Is there a possibility that this funding % could change now or in the future (for example linked to corporate health etc.)?
 - Any updates to the program will be posted to the website.
- 62. Is there going to be a cap on the total funds ultimately available to individual licensees? If so, what is that cap?
 - The Province reserves the right to limit the total financial contribution that would provide a benefit to any single permit holder.
- 63. Is the \$100,000 limit on the 50% share or on the closure activity?
 - A financial contribution is available from the Province, up to 50% of total estimated or actual costs (per application, per closure activity) whichever is less, up to \$100,000 (per application, per closure activity).
- 64. Do the submissions made to the OGC satisfy the obligation to provide notice as required by MEMPR?
 - The B.C. Oil and Gas Commission will apply all elements of British Columbia's existing regulatory framework as it applies to oil and gas activities in B.C. to any work performed under this Program. This includes all required permits, notices and consultation associated with the work.
- 65. Do wells that have been inactive for fewer than 5 years and could be packaged as part of a broader area-based closure plan, meet eligibility requirements?
 - See answers to Questions 38 and 39 above.
- 66. The first installment of funds is based on priorities surrounding site specific conditions and proximity to environmental and indigenous parameters. Will

these types of parameters need to be identified by each vendor? If so, will it be in a comment or perhaps check-box style?

- There are four priority criteria. Priority criteria will need to be identified for each dormant site. See program webpage for details.
- 67. For payment, what is required within the "reports"?
 - This will be specified within the contract for successful recipients.
- 68. Can the permit holder receive a copy of the "Financial contribution agreement" and how is this link to the contract between the permit holder and contractor?
 - It is at the discretion of the contractor to share any documents with the permit holder. The Province will not provide the financial contribution agreement to the permit holder.
- 69. What is the difference between "companies" and "contractors"?
 - The terms companies and contractors are used interchangeably within the program.
- 70. In the DSRP overview page one states Contractors apply. Page two states companies and contractors must have contracts with permit holders.
 - See answer to Question 69.
- 71. Additional clarity on the "Not subject to" clause is requested.
 - See answer to Question 23.
- 72. Are there any specific requirements for contract content / terms and conditions?
 - A contract and work agreement specifying a schedule and initial estimate of costs for the proposed project.
- 73. If your well is deemed a priority site are you now obligated / committed to spend money (at 50%) to complete closure activities for this well?
 - Under this program, wells are not deemed to be priority sites. Rather there are priority criteria for application selection.
- 74. If a site isn't currently on a dormant work plan, can communities accelerate the timelines / make something jump the queue?
 - No. Nominated sites will be a priority in the second increment.

- 75. What kind of proof is required to show a site meets priority requirements; will maps suffice?
 - See answer to Question 6.
- 76. How quickly will decisions be made once an application is submitted?
 - The intention is to approve applications and release the first 10% of funding as quickly as possible.

New Questions Posted as of May 26, 2020

- 77. Is it the site owner who puts in the application? Or, do we need to identify an oil/gas company that has dormant sites and arrange with them to do the site work and then we make the application?
 - See https://www2.gov.bc.ca/gov/content/industry/natural-gas-oil/responsible-oil-gas-development/dormant-sites-reclamation-program
 - Eligible Applicants can be "Oil and gas field service companies and contractors based in British Columbia, with registration, office and operations in British Columbia"
 - Companies and contractors must have a valid contract with a British Columbia oil and gas activity permit holder for a dormant site.
- 78. Does that mean all the employees on the site must be from British Columbia or does putting British Columbians to work also include employment derived from staying in local hotel, purchasing fuels and supplies from BC vendors as well as using local mechanics and drivers to support your operations? Please clarify.
 - See https://www2.gov.bc.ca/gov/content/industry/natural-gas-oil/responsible-oil-gas-development/dormant-sites-reclamation-program
 - Eligible Applicants can be "Oil and gas field service companies and contractors based in British Columbia, with registration, office and operations in British Columbia"
 - However, there is no specific requirement for sub-contractors to be based in British Columbia.
- 79. If each individual company must apply in advance a large project may have 50+ individual applications, that may or may not match bid prices. As well, there are often contractors within the sub contractors. e.g. a Welding company has welders that are employees and some that are independent contractors with

their own business numbers. What if the contractor was the one available on the day required to do the work?

- See above answers regarding sub-contractors.
- 80. Please clarify the role that a Prime Contractor can provide in regards to the application.
 - See answers regarding sub-contractors above
- 81. Are drilling contractors able to be third partied by the licensee/consultant or are we expected to apply directly on Monday morning?
 - See answers regarding sub-contractors above
- 82. I am looking for information on where I can find either mapping or a clearer definition to identify Dormant sites within a Treaty Land Entitlement, Cultural areas or Indigenous Peoples Critical Areas. We are reviewing our clients sites to confirm whether this eligibility criteria applies to them in order to apply.
 - Treaty Land Entitlement, Cultural Areas, Indigenous Peoples Critical Areas are all map layers held by each individual nation. The majority of these datasets are private or confidential and this priority criteria is expected to be selected by First Nation communities when nominating sites for funding under the program.
- 83. For multi-well sites where work on one well is contingent on approval of the work on the other well on the same location, will there be a way to indicate this one the application?
 - No. Under the Program a clause cannot be placed in a contractural agreement stating that work will not be continued if funding is not approved through the Program.
- 84. I wanted to confirm that submitting multiple wells on one application is allowed.
 - Yes.
- 85. If multiple wells are submitted on an application how will MEMPR pick and choose if not all are approved?
 - Wells submitted to the Program will be approved individually, based on meeting required criteria, and applicants will be advised on the outcomes for each well.
- 86. Some of the wells had been submitted didn't have "specified work that was included in a permit holder's Dormant Sites 2020 Annual Work Plan" selected in the application but were in fact on that plan. How can this be adjusted?

- It is not possible to make changes to an application once submitted. Applicants have the option to withdraw the current submission, by emailing the program directly, and reapplying with any desired changes. Alternatively, applications can be left as is.
- 87. We are applying for some well abandonments some WA#'s are not being recognized. Is there an issue with the system or is it possible that the wells are not eligible for this program?
 - For a well to be eligible under the Program, the well must be considered dormant under the Dormancy and Shutdown Regulation.
- 88. If we apply through one application and there is an issue with a well, will the full application be rejected?
 - No. Only individual wells will be rejected, if necessary, and not the whole application.
- 89. We submitted an application earlier today and realized after submission that there was an error. Do we need to resubmit this application in its entirety?
 - It is not possible to make changes to an application once submitted. Applicants have the option to withdraw the current submission, by emailing the program directly, and reapplying with any desired changes. Alternatively, applications can be left as is.
- 90. How does a company apply for the grants available under this program? The "How to Apply" section has no information on how/where to submit an application.
 - Click the "Apply Online" button under How to Apply, or go directly to <u>https://dormant-site-reclamation.gov.bc.ca/.</u>
- 91. We continued to add WA's to our application to reduce the number of applications on behalf of the client. Could you please advise if we need to resubmit or amend our applications?
 - Applications can be reviewed just prior to submission. Once submitted, a review link is also provided in the confirmation email. Amendments to applications are not allowed once an application is submitted.
- 92. For sites where we are applying on a Stage 1 through to Reclamation. The complexity of these programs makes it difficult to create detailed cost estimates when the locations have not been fully reviewed and sampled. Will there be flexibility within an approved grant application to move costs between closure activities within the same site?

- Approved amounts cannot be transferred between activities. Total financial contributions from the Province will be based on submitted actual costs, amounts released will reflect any changes as necessary.
- 93. I thought I that I had gone back and clicked on the indigenous inclusion, but I see that I haven't. Is there a way to revise the application?
 - It is not possible to make changes to an application once submitted. Applicants have the option to withdraw the current submission, by emailing the program directly, and reapplying with any desired changes. Alternatively, applications can be left as is.
- 94. The site is telling me that there is no match to three of the WA numbers that were provided. I have already contacted my contact on this and were told that the numbers are correct.
 - For a well to be eligible under the Program, the well must be considered dormant under the Dormancy and Shutdown Regulation.
- 95. How this requirement to be interpreted (e.g., can an operator contract with a prime for \$100k and then the prime hires/pays the subscontractor to do the component work for the various activities or is a separate contract needed with each contractor working on a single well)?
 - See https://www2.gov.bc.ca/gov/content/industry/natural-gas-oil/responsible-oil-gas-development/dormant-sites-reclamation-program
 - If you have a contract with the permit holder you must be the company that applies. A third party cannot submit an application on behalf of the Applicant as they are not the prime contract-holder. The Program is designed to accommodate one lead Applicant that will coordinate work with sub-contractors, including sub-contracting to complimentary services.
- 96. Once approved, will funds will only be released for activities completed by British Columbia residents?
 - No. The financial contribution agreement has reporting requirements that must be met. These include providing the number of hours worked and the number of British Columbians employed.
- 97. Please let me know how to withdraw the duplicate from your system.
 - Applications submitted can be withdrawn by emailing the program directly at: <u>DormantSite.BC.Government@gov.bc.ca</u>

- 98. I received two notifications for the same WA number and both came in with the same time stamp. I just want to ensure that it is only entered once.
 - Inquiries regarding submitted applications, and removal of duplicates if necessary, can be made to the Program, at: <u>DormantSite.BC.Government@gov.bc.ca</u>
- 99. Can a prime contractor make applications for licensees recognizing that some of the work will be subcontracted by us as prime contractor to individual service providers.
 - If you have a contract with the permit holder you must be the company that applies. A third party cannot submit an application on behalf of the Applicant as they are not the prime contract-holder. The Program is designed to accommodate one lead Applicant that will coordinate work with sub-contractors, including sub-contracting to complimentary services.
- 100. If a Contractor applies for funding and is approved, but then for some reason (such as lack of staff or equipment availability) cannot execute the work, can the licensee find an equivalent contractor that meets the qualification criteria to have the contract transferred to? Or would the contract be cancelled and need to be reapplied on?
 - The Applicant can withdraw their application any time before the initial 10% funds are provided by notifying the Province. The Application can be withdrawn after payment, but this would require full payment to be refunded from the Proponent to the Province.
 - Specifically, a clause cannot be placed in a contractual agreement stating that work will not be continued if funding is not approved through the Program.
 - If an approved recipient does not complete the work as agreed to in the agreement, the approved recipient would be required to pay back in full the payment received from the Province.
- 101. Does the quote above indicate that each of the dozens of sub-contractors must all apply individually? Or can a Prime contractor apply (within \$100,000 per application, per activity) and manage the project and accounting as per industry standards? (for those companies that don't want to or won't bother with an application for their portion of the work)
 - See above answers regarding sub-contractors.

- 102. Can there be a prime contractor who can sub-contract out smaller items such as line locating, geo-tech core drilling, electromagnetic imaging?
 - See above answers regarding sub-contractors.
- 103. [Company Name] employs about 40 employees; 39 that work in BC and 1 Project Manager that works in Alberta on BC-based projects. This Project Manager is needed to keep his team (based in BC) employed and working on the projects he manages. Does our employee in Alberta disqualify ourselves, or affect, the funding we may or may not receive?
 - Eligible Applicants can be "Oil and gas field service companies and contractors based in British Columbia, with registration, office and operations in British Columbia".

New Questions Posted as of May 28, 2020

- 104. There was a mistake made where the business number was entered wrong. Please let me know if this can be corrected.
 - See Answer to Question 89.
- 105. We are currently working on some applications and could not locate the following WA#'s as we received an error message. We believe these to be dormant. Is it possible to verify?
 - See Answer to Question 87.
- 106. Are we to understand that the eligible costs from the website to be only 50% of the total estimated cost to do all the work, meaning that the oil company is required to cover the remaining 50%?
 - See Answer to Question 60.
- 107. I have a question regarding built, not drilled, wellsites. Are the reclamation activities required to bring them to closure eligible for the funding?
 - See Answer to Question 3.
- 108. Can 2 applications be submitted for the same well site?
 - Yes.

- 109. Can an application for environmental work be made separate from abandonment activities on the same wellsite under the Dormant Sites Application Program? applications be submitted for the same well site?
 - Yes.
- 110. Are companies eligible to access the \$100,000 per well, or 50% of total costs, on a per application basis or per well basis?
 - A financial contribution is available from the Province, up to 50% of total estimated or actual costs (per application, per well, per closure activity) whichever is less, up to \$100,000 (per application, per well, per closure activity).
- 111. Is any funding coming available for suspended facilities and moving them toward retirement? Or is it specific to dormant wellsites?
 - Suspension work (wells and facilities) that are not part of dormant site work are not eligible under Increment 1 of the program. Under Increment 1, applications for dormant oil or natural gas sites located in British Columbia that are defined to be dormant or where a permit holder has provided notice that a wellsite is dormant under the Dormancy and Shutdown Regulation are eligible.
- 112. We would like to apply for reclamation work we will be conducting at a campsite. The campsite itself does not have a Wellsite Authorization Number. Would we be able to use the authorization number of the associated well, even if the reclamation work was happening exclusively at the campsite?
 - See answer to Question 2.
- 113. If the field component of a Stage 2 site investigation began prior to May 25th, but the reporting component has not yet begun and will take place in the next month or so, would the reporting component of the Stage 2 assessment be eligible for the Program?
 - Yes.
- 114. I am submitting some applications to the dormant site reclamation program and the wells have previously been identified as dormant but are not available when completing the application and are not showing up on the dormant site live report. Is it possible to check the status on these?
 - No.

- 115. Can you please advise how to get a recently registered company name to appear in the drop down list on the application page.
 - If there was a rush put on the application, it would take a couple of days, otherwise approximately a week. Please see https://www.bcregistrynames.gov.bc.ca/nro/ for status of a name approval request.