

Notice of Public Tender

Crown Petroleum and Natural Gas Rights



Ministry of Energy, Mines and Petroleum Resources

Oil and Gas Division

July 11, 2018

**PROVINCE OF BRITISH COLUMBIA
MINISTRY OF ENERGY, MINES AND PETROLEUM RESOURCES**

**PUBLIC NOTICE OF
COMPETITION FOR THE RIGHT TO EXPLORE AND DEVELOP CROWN PETROLEUM AND NATURAL GAS
RESOURCES
July 11, 2018**

Under section 71 of the *Petroleum and Natural Gas Act* (the Act), sealed bids will be received up to **12:00 noon, Wednesday July 11, 2018** for the privilege of obtaining petroleum and natural gas rights detailed in the parcel descriptions below.

Bids must be addressed to the Ministry of Energy, Mines and Petroleum Resources, and submitted to the office of the Executive Director, Tenure and Geoscience Branch, Oil and Gas Division, 6th floor, 1810 Blanshard Street, V8T 4J1.

Bidding procedures and requirements are detailed in the [Guide to Acquiring Crown Petroleum and Natural Gas Tenures](#). A copy of this guide can be requested by email at pngtitles@gov.bc.ca or by telephone at (250) 952-0333.

In order to be considered, a bid must be prepared and submitted consistent with the requirements specified in the Guide to Acquiring Crown Petroleum and Natural Gas Tenures. This includes the requirement to submit the \$500 issuance fee and first year's rent as indicated in the list of parcels below.

A bid is evaluated against other bids received for the parcel, the geological potential of the parcel, and historical and current bidding trends. Tenure is awarded based on this evaluation. The Minister reserves the right to reject any or all bids if it is determined that acceptance of the bid(s) would not be in the best interest of the Crown.

Tenure is issued in accordance with and conveys the rights described in the Act.

The Ministry considers referral comments received from provincial agencies, local governments and First Nations which are incorporated, where appropriate, as specific information in the parcel descriptions. Parcels may overlap one or more legal designations that may affect operations associated with the tenure, including, but not limited to:

- Ungulate Winter Ranges,
- Wildlife Habitat Areas,
- Old Growth Management Areas,
- Agricultural Land Reserve,
- Protected Areas & Parks,
- Indian Reserves,
- Existing resource use and *Land Act* tenures, and
- Reserves issued under various Provincial and Federal legislation.

This is not an exhaustive list and legal designations may be added or changed.

The grant of tenure does not guarantee the issuance of a permit to conduct oil and gas activity. Successful bidders must apply for activity permits from the BC Oil and Gas Commission (Commission) under the *Oil and Gas Activities Act* and/or from other agencies where applicable. The Commission may impose conditions on activity permits. The Commission uses Area-based Analysis (ABA) as a tool in the application review process (for more information please contact the

Commission). Successful bidders should also be aware that they will be required to abide by the various laws governing exploration and development whether or not specific terms are listed in this notice. The laws governing exploration and development may be amended from time to time.

For More Information:

Executive Director, Tenure and Geoscience Branch	Oil and Gas Commission
Oil and Gas Division	PO Box 9331
Ministry of Energy, Mines and Petroleum Resources	Victoria, BC V8W 9N3
PO Box 9326, Stn Prov Govt	Telephone: (250) 419-4400
Victoria, BC V8W 9N3	http://www.bcogc.ca/contact
Telephone: (250) 952-0333	
Facsimile: (250) 952-0331	
Email: pngtitles@gov.bc.ca	

The right to reject any or all bids is reserved.

DATED at Victoria, British Columbia

this 24th day of May, 2018.

Michelle Mungall

Minister of Energy, Mines and Petroleum Resources

Tenure Types and Rights Conferred:

Permits confer the exclusive right to apply under the Oil and Gas Activities Act to do exploratory drilling for petroleum, natural gas or both on land owned by the government and within the boundaries of the location of the permit. The issue or existence of a permit does not prohibit a person other than the holder of the permit from carrying out geological work or geophysical exploration in the permit area in accordance with the Oil and Gas Activities Act. (PNG Act, s. 38(1) and (2))

Drilling licences confer the right to explore for petroleum and natural gas. (PNG Act: Drilling Licence Regulation, s.1)

Leases confer the exclusive right to produce, in accordance with the Petroleum and Natural Gas Act and the Oil and Gas Activities Act, both the petroleum and natural gas referred to in the lease. (PNG Act, s. 50)

	DRILLING LICENCE	
PARCEL	LEGAL DESCRIPTION	HA
66771	TRACT 1	264
	TWP 088 RGE 23 W6M SEC 14	
	INCLUDING PETROLEUM AND NATURAL GAS	
	BELOW BASE OF 33012 MONTNEY (EXCLUDING BASAL LAG)	
	33012 MONTNEY ZONE (EXCLUDING BASAL LAG) DEFINED IN THE INTERVAL 1666.2M-1939.2M ON THE COMPENSATED NEUTRON-LITHODENSITY LOG OF THE WELL W.A. 6571 6-28-86-21 W6M	
CAVEATS	PARCEL OVERLAPS CROWN LAND LOCATED WITHIN THE TREATY #8 AREA AND THE PROVINCE STRONGLY ENCOURAGES EARLY PRE-APPLICATION ENGAGEMENT WITH THE RELEVANT FIRST NATIONS; PLEASE CONTACT THE BC OIL AND GAS COMMISSION FOR GUIDANCE. PARCEL WAS REFERRED TO THE FOLLOWING FIRST NATION(S) FOR REVIEW AND COMMENT (NOTE THAT SUBSEQUENT CONSULTATION WITH FIRST NATIONS, NOT NECESSARILY LIMITED TO THOSE LISTED BELOW, MAY BE REQUIRED PRIOR TO ACTIVITIES BEING AUTHORIZED ON CROWN LAND):	
	- BLUEBERRY RIVER FIRST NATIONS	
	- DOIG RIVER FIRST NATION	
	- HALFWAY RIVER FIRST NATION	
	- WEST MOBERLY FIRST NATIONS	
	THE FOLLOWING FIRST NATION(S) HAS/HAVE ADVISED THAT THE AREA IS USED FOR PRACTISING THEIR TREATY RIGHTS:	
	- BLUEBERRY RIVER FIRST NATIONS	
	- HALFWAY RIVER FIRST NATION	
	THE FOLLOWING FIRST NATION(S) HAS/HAVE REQUESTED EARLY ENGAGEMENT, PRIOR TO SUBMITTING AN APPLICATION TO THE OIL AND GAS COMMISSION, TO PROVIDE THE PROPONENT WITH THE OPPORTUNITY TO DISCUSS FIRST NATION(S) INTERESTS (ASSESSMENTS; MONITORING STUDIES; AND MITIGATION, MANAGEMENT AND/OR RECLAMATION PLANS MAY BE REQUESTED):	
	- DOIG RIVER FIRST NATION	
	- HALFWAY RIVER FIRST NATION	
	ACCESS, EXPLORATION AND CONSTRUCTION RESTRICTIONS MAY APPLY TO PROTECT ACTIVITIES AND INTERESTS IDENTIFIED IN THE AREA BY ONE OR MORE FIRST NATIONS. THESE INCLUDE BUT ARE NOT LIMITED TO:	
	- FIRST NATION TRAPPING, HUNTING AND FISHING VALUES	
	- CULTURALLY SIGNIFICANT SITE(S)	
	- WILDLIFE VALUES	
	- BURIAL SITES	
	- HISTORIC AND CURRENT TRANSPORTATION CORRIDORS (LAND AND WATER)	
	- HUNTING	
	CONCERNS AND ISSUES IN THE AREA IDENTIFIED BY ONE OR MORE FIRST NATIONS INCLUDE:	
	- CUMULATIVE EFFECTS	
	- UNCONVENTIONAL OIL AND GAS DEVELOPMENT	
	- SURFACE WATER	

	PARCEL IS LOCATED WITHIN HORN RIVER, MONTNEY OR CORDOVA EMBAYMENT BOUNDARIES IN WHICH SHALE GAS RECOVERY AND TECHNOLOGY IS ANTICIPATED; PARTICIPATION IN A WATER OR ACCESS PLANNING PROCESS WITH OTHER TENURE HOLDERS MAY BE REQUIRED TO COORDINATE ACTIVITIES, EXPLORATION AND DEVELOPMENT.	
	THE BC OIL AND GAS COMMISSION USES AREA BASED ANALYSIS (ABA) AS A TOOL IN THE APPLICATION REVIEW PROCESS; THIS PARCEL OVERLAPS ABA "ENHANCED MANAGEMENT" STATUS WITHIN RIPARIAN RESERVE ZONES (FOR MORE INFORMATION CONTACT THE COMMISSION).	
	ACCESS AND CONSTRUCTION RESTRICTIONS MAY APPLY. PRIOR TO ON-THE-GROUND ACTIVITY, CONTACT THE APPROPRIATE PROVINCIAL MINISTRY FOR APPLICABLE MANAGEMENT AND PROTECTION MEASURES TO MINIMIZE DISTURBANCE AND ADDRESS THE FOLLOWING (NOT LIMITED TO):	
	- BLUE OR RED LISTED SPECIES	
	- GRAZING RESERVE	
	- FOREST ACT TENURE(S)	
	- RANGE ACT TENURE(S)	
	RECORDED AND POTENTIAL ARCHAEOLOGICAL SITES EXIST; ARCHAEOLOGICAL IMPACT ASSESSMENT MAY BE REQUIRED.	
	TERM: 3 YEARS	
	FEES: \$ 500.00	
	RENT PER HA: \$ 3.50	
	NO FURTHER TRACTS	
	REFERENCE NUMBER: 1807001	
PARCEL	LEGAL DESCRIPTION	HA
66772	TRACT 1	264
	TWP 088 RGE 23 W6M SEC 22	
	INCLUDING PETROLEUM AND NATURAL GAS	
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	33012 MONTNEY ZONE (EXCLUDING BASAL LAG) DEFINED IN THE INTERVAL 1666.2M-1939.2M ON THE COMPENSATED NEUTRON-LITHODENSITY LOG OF THE WELL W.A. 6571 6-28-86-21 W6M	
CAVEATS	PARCEL OVERLAPS CROWN LAND LOCATED WITHIN THE TREATY #8 AREA AND THE PROVINCE STRONGLY ENCOURAGES EARLY PRE-APPLICATION ENGAGEMENT WITH THE RELEVANT FIRST NATIONS; PLEASE CONTACT THE BC OIL AND GAS COMMISSION FOR GUIDANCE. PARCEL WAS REFERRED TO THE FOLLOWING FIRST NATION(S) FOR REVIEW AND COMMENT (NOTE THAT SUBSEQUENT CONSULTATION WITH FIRST NATIONS, NOT NECESSARILY LIMITED TO THOSE LISTED BELOW, MAY BE REQUIRED PRIOR TO ACTIVITIES BEING AUTHORIZED ON CROWN LAND):	
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	- HISTORIC AND CURRENT TRANSPORTATION CORRIDORS (LAND AND WATER)	
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	ACCESS AND CONSTRUCTION RESTRICTIONS MAY APPLY. PRIOR TO ON-THE-GROUND ACTIVITY, CONTACT THE APPROPRIATE PROVINCIAL MINISTRY FOR APPLICABLE MANAGEMENT AND PROTECTION MEASURES TO MINIMIZE DISTURBANCE AND ADDRESS THE FOLLOWING (NOT LIMITED TO):	
	- BLUE OR RED LISTED SPECIES	
	- FOREST ACT TENURE(S)	
	- RANGE ACT TENURE(S)	
	POTENTIAL FOR ARCHAEOLOGICAL RESOURCES EXISTS; ARCHAEOLOGICAL IMPACT ASSESSMENT MAY BE REQUIRED.	
	TERM: 3 YEARS	
	FEES: \$ 500.00	
	RENT PER HA: \$ 3.50	
	NO FURTHER TRACTS	
	REFERENCE NUMBER: 1807002	

Parcels Offered and Hectares Summary

	No. Offered	Hectares
Permits	0	0
Drilling Licences	2	528
Leases	0	0
Grand Total	2	528

NEXT DISPOSITION DATE: August 15, 2018