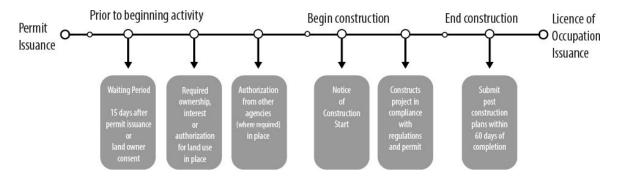
Chapter /

Construction Details for

Oil and Gas Activities

4. Construction Details for Oil and Gas Activities

Construction requirements are generally the same for all activities, with some further requirements or considerations for pipelines and facilities discussed in those relevant chapters. This chapter is organized chronologically based on the phases of a construction project and outlines the procedures and requirements, specifically:



Please Note:

This manual is written as a whole and provided to industry in sections to allow permit holders to access activity chapters. It is prudent of the permit holder to review the manual in its entirety and be aware of the content in other sections of the manual

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4.1 Permitted Construction Activities

Permit holders are ultimately responsible for ensuring they understand and meet all legal and regulatory requirements and the permit, including all conditions attached to the permit. Construction activities must meet the design and operational requirements outlined in the following regulations and guidelines.

- Energy Resource Activities Act (ERAA)
- Environmental Protection and Management Regulation (EPMR).
- Energy Resource Road Regulation (ERRR).
- Pipeline Regulation and Pipeline Crossing Regulation.
- <u>Drilling and Production Regulation</u> (DPR).
- Geophysical Exploration Regulation.

Guidance Requirements

Activities should meet guidance recommendations in the following Regulator documents:

- Environmental Protection and Management Guideline.
- Management of Saline Fluid for Hydraulic Fracturing Guideline.
- BC Noise Control Best Practices Guideline.
- Flaring & Venting Reduction Guideline.
- Measurement Guideline for Upstream Oil and Gas Operations.

Permit Condition: Construction Corridors

The construction corridor is an additional mapped area around the proposed activities providing the applicant or permit holder with the flexibility to adjust the proposed activities within the corridor. Providing all activities stay within the construction corridor, permit holders have the ability to move ancillary sites or add area without having to submit an amendment.

Applicants should consider construction corridors as part of the application to ensure flexibility to use the construction corridor during operation. The construction corridor will form part of the permit. Refer to the Regulator's Oil and Gas Activity Application Manual for further details.

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Permit holders must submit an amendment if changes are required for construction activities impacting any area outside of the construction corridor or if a construction corridor was not established.

4.2 Pre-Construction

Prior to beginning construction activity, permit holders must meet mandatory timelines, meet the requirements for land or surface access and obtain approval from other agencies prior to pipeline activity, where applicable and as detailed in this section.

4.2.1 Construction Start Dates

Permit holders must wait 15 days from the day the permit is issued before commencing any oil and gas activity on private land, unless the land owner has consented in writing that the oil and gas activity may commence. Written consent from a land owner is not required to be submitted to the Regulator; however the permit holder should retain records.

4.2.2 Land or Surface Access

Permits for oil and gas activities on Crown land include authorization to occupy Crown land. The authorizations are granted under the Petroleum and Natural Gas Act or the Land Act.

The Regulator may permit the construction and operation of oil and gas or associated oil and gas activities on private land, but access is subject to a land owner agreement. Refer to the Land Owner and Rights Holder section of the Oil and Gas Activity Application Manual for more information on land owner notification for activities on private land.

4.2.3 Altering the Lands (Removal of Vegetation)

Stumpage

The applicable Ministry of Forests, Lands and <u>Natural Resource Operations Appraisal Manual</u> (Interior or Coast) outlines the process for determining stumpage payable on cutting permits issued for oil and gas development.

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In the Fort Nelson, Mackenzie, Peace and Rocky Mountain districts, stumpage for timber cleared for most oil and gas purposes is calculated on a per-area basis. For these permits, as-cleared information reported by the permit holder on the post-construction plan or geophysical final plan submission is forwarded to the Ministry of Forests, Lands and Natural Resource Operations. As-cleared area is multiplied by the reserve stumpage rate for the district to determine stumpage payable.

For cutting permits outside of the districts noted above, or for pipeline rights-of-way over 2,000m³ of timber volume, stumpage is calculated on a per-volume basis.

Stumpage Waste Assessment

Permit holders cutting Crown timber are required, regardless of utilization, to report and pay the province for the timber. According to the specifications detailed in the Master Licence to Cut, exempted merchantable fibre, outside the Forest Districts described in the Interior Forest Appraisal Manual must have a waste survey completed and ensure stumpage is billed accordingly.

Timber Marking

Timber marking must be carried out in accordance with the <u>Timber Marking and Transportation Regulation</u>.

Water Use and Stream Crossing

Permit holders requiring access to water and/or require stream crossing during construction, must seek permission prior to construction. Works in and about a stream may also require review by DFO under the federal Fisheries Act.

Refer to the Regulator's <u>Oil and Gas Activity Application Manual</u> for water use permission and reporting requirements and the Regulator's <u>Water Licence</u> <u>Application Manual</u> for water licence application details.

4.3 Beginning Construction

Permit holders must complete a Notice of Construction Start and specific construction requirements pertaining to wells, pipelines, facilities, and roads are discussed in detail in each respective chapter of this manual.

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4.3.1 Notice of Construction Start

Prior to beginning construction submit a notice of construction start. Required submission methods and timelines differ between activity types. Notices must be submitted prior to commencement of land clearing and/or the set-up of equipment on location. Notices are submitted by AD number and start date. A new notice must be submitted for each start date.

Table 4.1 below identifies the activity type where a notice of construction start is required, summary of submission methods and timelines for each activity type.

Table 4.1 Notice of Construction Submission by Activity

Activity Type	Submission Method	Submission Timeline
Well	Online Submission by <u>eSubmission</u> system.	Notice must be submitted at least 48 hours before construction is to begin.
Facility	Online Submission by KERMIT system.	Notice must be submitted at least two days before construction is to begin.
Pipeline	Online Submission by KERMIT system.	Notice must be submitted at least two days before construction is to begin.
Road	Online Submission by <u>eSubmission</u> system.	Notice must be submitted within at least 72 hours and not more than 30 days prior to starting construction.
Associated Oil and Gas Activity	Online Submission by <u>eSubmission</u> system.	Notice must be submitted at least 48 hours before construction is to begin.
Stream Crossing	Online Submission by <u>eSubmission</u> system.	Notice must be submitted at least 48 hours before construction is to begin, or as per the permit, if activities under the stream crossing authorization are not part of current construction of an another activity where a notice of construction start has been submitted.
NEB Road	Online Submission by <u>eSubmission</u> system.	Notice must be submitted at least 48 hours prior to the commencement of activities under this permit.

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NEB Ancillaries	Online Submission by <u>eSubmission</u> system	Notice must be submitted at least 48 hours prior to the commencement of activities under this permit
NEB Pipelines	Online Submission by <u>KERMIT</u> system	Notice must be submitted at least 48 hours prior to the commencement of activities under this permit
NEB Facilities	Online Submission by KERMIT system	Notice must be submitted at least 48 hours prior to the commencement of activities under this permit

Notice of Maintenance

The permit holder must submit a notice of maintenance to the Regulator two (2) working days prior to the commencement of any change in or about a stream associated with maintenance activities, as authorized in the permit. Minimum time requirements for submission of notice of maintenance for various activities are outlined in the regulations and/or permit conditions specific to the activity.

A Notice of Maintenance is submitted by completing a <u>Notice of Maintenance Form</u> and submitting by email to <u>ExternalNotifications@bc-er.ca</u>.

Permit Expiry

In order to satisfy the requirements of 'beginning an oil and gas activity' and to prevent the permit from expiring, permit holders need to submit a Notice of Construction Start (NCS) or apply for a Permit Extension.

Once a NCS has been submitted to the Regulator, the permit will be considered valid and will no longer be subject to Section 32(1) of the Energy Resource Activities Act. All of the activities permitted and authorized under one application, will be considered valid once the NCS has been submitted.

If the Regulator has not received a Notice of Construction Start (NCS) or processes and approved a permit extension application prior to its expiry, the permit will be deemed expired.

Information on the Regulator's permit extension process is available in Chapter 8.2 of the Oil and Gas Activity Application Manual.

Additional Notification Requirements for Roads

Oil and gas road permit holders must notify local Indigenous Nations, affected land owners, affected permit holders, and affected rights holders at least 72 hours, and not more than 30

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days, prior to beginning construction. Where construction must be carried out expeditiously to address an environmental or operational emergency, notice of construction start must be provided to the Regulator, local Indigenous Nations, affected land owners, affected permit holders, and affected rights holders as soon as practicable.

Notices to local Indigenous Nations, affected land owners, affected permit holders, and affected rights holders must be made in writing and include the following:

- Location of the road.
- Applicable road permit number and any administrative identifier relating to the road.
- Contact name and contact information.
- Date construction started or began, as applicable, and the date construction will be complete or was completed.

Before deactivation, a road permit holder must notify the Regulator, local Indigenous nations, affected land owners, road users known to the road permit holder and the local forest district office at least 30 days, and not more than 60 days, prior to beginning deactivation. Any objection to the deactivation must be promptly forwarded to the Regulator. Notices must be in writing, identify the road to be deactivated and specify the date when deactivation will begin.

4.4 Post Construction

4.4.1 Post Construction Plan

With the exception of geophysical activities, a post construction plan must be submitted to the Regulator within 60 days of completed construction for all oil and gas activities and associated oil and gas activities where new land has been cleared or disturbed for construction. More information on post construction plan submissions is provided in the Regulator's <u>Permit Operations Administration</u> manual.

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