BC Oil & Gas COMMISSION

INDUSTRY BULLETIN 2013-09

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Manuals for Section 8 Permits and Water Licences Posted

TO: Industry Clients

EFFECTIVE DATE: Immediately

The BC Oil and Gas Commission (Commission) has posted updated documents on its website related to recent changes to Section 8 water permits and water licences.

Short-Term Water Use Approvals (Section 8 Approvals)

Under Section 8 of the Water Act, short-term water use approvals can be issued for periods not exceeding 24 months. While the majority of Section 8 approvals issued by the Commission will continue to be for a term not exceeding 12 months, some may be issued for a term of 24 months. These generally include approvals for geophysical activity, winter road construction, water source dugouts or the initial exploration phase of a hydraulic fracturing project.

An updated <u>Short-term Water Use Application Form</u> and <u>Short-term Water Use Application Manual</u> are now available on the Commission's website.

Additionally, there are two changes in the requirements for short-term water use applications:

- 1. Applications must include the primary purpose for which the water will be used. Various purposes (as defined in the Water Act) are listed on the application form, and can be selected with a check-box.
- 2. If the application is for greater than 200 m³/day, greater than 10,000 m³/year, or for a purpose of injection (including hydraulic fracturing), a Water Supply/Demand Analysis is required as part of the application. The Water Supply/Demand Analysis is intended to be a brief report that provides detail on the water demand, a rationale to support the volume of water requested and detail on the hydrology of the applicable water body or water bodies. Detail on the scope and content of the Water Supply/Demand Analysis can be found in Appendix E of the application manual. Water used from borrow pits does not apply.

Water Licence Authority

Nineteen water licence applications held by the Ministry of Forests, Lands and Natural Resource Operations have been transferred to the Commission for review and determination. Applicants will be contacted by the Commission over the next few weeks. In addition, another 35 (approximately) existing water licences held by oil and gas operators will be administered by the Commission.

The Commission has posted to its website a <u>Water Licence Application Form</u> and <u>Water Licence Application</u> <u>Manual</u> and requires that oil and gas operators use the application form for future water licence applications submitted and be consistent with the application process and manual.

Background

In March 2013, the Minister of the Ministry of Forests, Lands and Natural Resource Operations designated specific Commission staff as Regional Water Managers and Assistant Regional Water Managers under the Water Act, giving the Commission authority to issue and administer water licences for the oil and gas sector.

In April 2013 the Province of British Columbia brought into force a 2010 amendment to the Water Act to allow short-term water use approvals (Section 8 of the Water Act) to be issued for a period not exceeding 24 months (a change from the previous maximum term of 12 months).

For further information on this industry bulletin, please contact:

Allan Chapman, PGeo Hydrologist, Regional Water Manager BC Oil and Gas Commission <u>Allan.Chapman@bcogc.ca</u> 250-419-4435