



DISCUSSION OF PERMIT TRANSFER PLANS PRIOR TO APPLICATION SUBMISSION

The BC Oil and Gas Commission (Commission) utilizes the [Liability Management Rating \(LMR\) program](#) to assess the ability of B.C. permit holders to remediate sites used for oil and gas activities. The LMR program is employed as a tool to assist the Commission with making decisions on security deposits required under Section 30 of the [Oil and Gas Activities Act](#).

Industry is reminded to discuss their purchase and sale plans with the Commission prior to submitting an application to transfer a permit. Further, permit holders are encouraged to contact the Commission's liability management staff at Liability.Management@bcogc.ca to inquire about upcoming transfer applications; however, decisions will only be applied at the time of application review.

To address ongoing economic and legal circumstances affecting insolvencies, the Commission has been completing in-depth evaluations to determine whether any transfers increase pressure on the [Orphan Site Reclamation Fund](#). In addition to the requirement to maintain a post-transfer LMR above 1.0, decisions on security deposit requirements have been based on production declines affecting deemed assets, as well as associated compliance issues.

Should you have any questions regarding this Industry Bulletin, please contact:

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