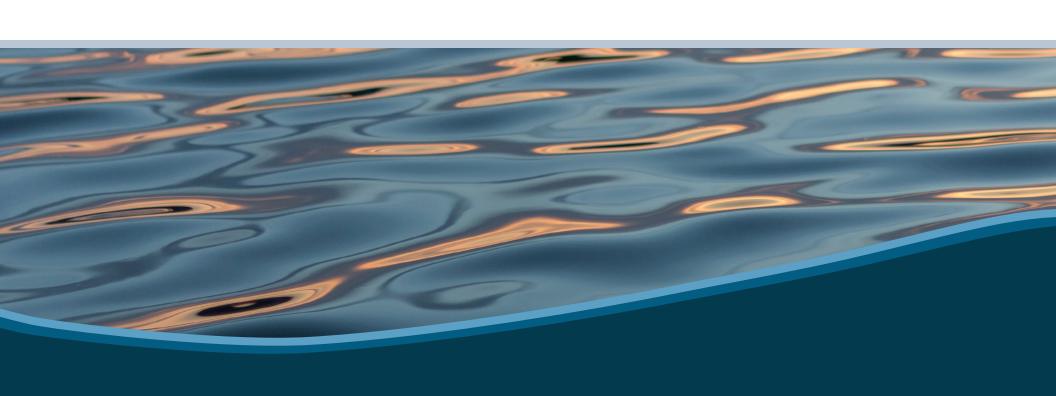
# Quarterly Oil and Gas Water Management Summary



Third Quarter 2018 (July - September)



### **PURPOSE**

This *Quarterly Oil and Gas Water Management Summary* presents short-term water use and water licence data from the Q3 July to September 2018 period.

Previous annual water use reports and quarterly water use summaries are available on the BC Oil and Gas Commission website at <a href="https://www.bcogc.ca">www.bcogc.ca</a>.

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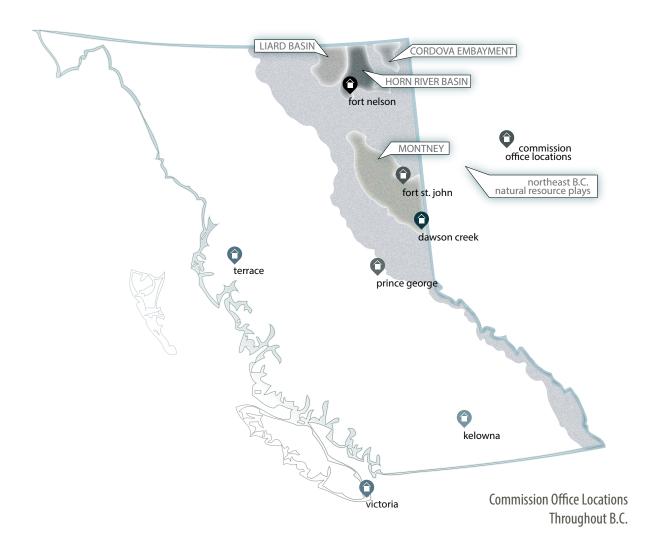
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### BC OIL AND GAS COMMISSION

he <u>BC Oil and Gas Commission</u> (Commission) is the provincial regulatory agency with responsibilities for regulating oil and gas activities in British Columbia, including exploration, development, pipeline transportation and reclamation.

The Commission's core services include reviewing and assessing applications for industry activity, consulting with First Nations, cooperating with partner agencies, and ensuring industry complies with provincial legislation and all regulatory requirements. The public interest is protected by ensuring public safety, respecting those affected by oil and gas activities, conserving the environment, and ensuring equitable participation in production.

The Commission is responsible for reviewing, assessing, and making decisions on water authorizations from both surface and subsurface water sources. The Commission has the expertise and tools to make informed water allocation decisions, and protecting and maintaining environmental and community water needs are its first priorities.



### **HOW WATER IS USED**

Water is used for various purposes in the oil and gas industry.



The largest use of water for oil and gas activities is for hydraulic fracturing.

However, water is used for other purposes, such as:



Seismic or geophysical exploration



**Drilling** 



Machine washing



**Dust control** 



Water floods (to enhance oil recovery)



Ice road freezing



Hydrostatic testing of pipelines

### **HOW WATER IS ACCESSED**

here are different ways the oil and gas industry may access water in British Columbia. Some methods are managed through provincial legislation, including:

- **Water licences** issued under the Water Sustainability Act (WSA) for surface and groundwater. The Commission has staff designated as Regional Water Managers with authority for issuing and administering long-term water licences.
- Short-term surface water use or diversion approvals issued under Section 10 of the WSA. Short-term water use is administered by the Commission.
- Water source wells authorized by the Commission under the Oil and Gas
  Activities Act (OGAA). Water source wells are a specific type of well where the water
  withdrawn is intended for injection into an underground formation to enhance oil or
  natural gas recovery.
- Flowback water that returns to the surface after being injected for hydraulic fracturing.
- **Produced water** that flows to the surface as a by-product of oil and gas production.

The oil and gas industry can access water by means outside of regulatory oversight:



Private agreements can be made with landowners or others who have a source of surface water supply such as a dugout or a groundwater well. In some cases, private agreements may require a Waterworks water licence under the WSA.

# LONG-TERM WATER LICENCES AND USE

At the end of the third quarter of 2018, there were 51 active oil and gas related water licences, representing 54 withdrawal locations, held by 13 companies (Table 1).

The total annual licenced water volume was 27,709,212 m³.

A total of 2,078,644 m³ of licenced water was reported as withdrawn in the first three quarters of the year (Table 1).

A break-down of water licence allocation and use by OGC Water Management Basin is listed in Table 4.



	SUMMARY OF WATER LICENCE AND USE FOR OIL AND /ITIES FROM JANUARY TO SEPTEMBER 2018	Q1*	Q2*	Q3
	Companies with Active Water Licences	12	13	13
MATER	Active Water Licences	26	35	51
WATER LICENCE	Licenced Withdrawal Locations	29	38	54
LICENCE	Annual Volume Available for Use for Water Licences (m³)	19,867,424	24,213,356	27,709,212
	Cumulative Volume Reported Used in 2018 (m³)	741,188	1,344,423	2,078,644

TABLE 2:
OIL AND GAS RELATED WATER LICENCES THAT WITHDREW WATER FROM JULY TO SEPTEMBER 2018

LICENCE#	LICENCEE	SOURCE	OGC WATER MANAGEMENT BASIN APPRO	ANNUAL OVAL (m³/YR)	Q3 WATER USE (m³/YR)
C112155	Whitecap Resources Inc.	Peace River	Lower Peace River	1,825,000	155,976
	Petronas Energy Canada Ltd.	Williston Lake	Peace Arm	3,650,000	3,675
	Canadian Natural Resources	Charlie Lake	Lower Beatton River	394,000	6,662
C133155	Canbriam Energy Inc.	Williston Lake	Peace Arm	3,650,000	12,081
C133847	Petronas Energy Canada Ltd.	<b>Unnamed Creek</b>	Cameron River	3,687	1,424
C133853	Petronas Energy Canada Ltd.	Barker Ck tributary	Middle Sikanni Chief River	7,264	1,008
C133955	Encana Corporation	Peace River	Lower Peace River	750,000	85,330
C134025	ARC Resources Ltd.	Kiskatinaw River	Lower Kiskatinaw River	550,000	232,667
C134093	Petronas Energy Canada Ltd.	Grewatsch Ck	Upper Beatton River	54,368	3,052
C134111	Petronas Energy Canada Ltd.	Unnamed Stream	Upper Beatton River	49,588	532
C134112	Canadian Natural Resources	Pine River	Lower Pine River	650,000	196,060
C500185	Kelt Exploration (LNG) Ltd.	Aquifer	Cache Creek	20,900	1,925
C500246	` '	Aquifer	Cache Creek	160,235	9,276
	Petronas Energy Canada Ltd.	Aquifer	Middle Sikanni Chief River	4,578	277
C500355	Encana Corporation	Dugout	Lower Peace River	90,000	24,276

## SHORT-TERM WATER APPROVAL AND USE

At the end of the third quarter of 2018, there were a total of 236 short-term water use approvals in place, representing 631 withdrawal locations, held by 41 companies (Table 3).

The total water volume associated with short-term approvals that were active on the last day of the quarter was 9,709,121 m<sup>3</sup>.

A total of 864,893 m³ was reported as withdrawn by oil and gas operators during the first three quarters of 2018 (Table 3).

A break-down of short-term water approval and use by OGC Water Management Basin is listed in Table 4.

	- SUMMARY OF SHORT-TERM APPROVAL AND USE FO GAS ACTIVITIES FROM JANUARY TO SEPTEMBER 2018		Q2*	Q3
	Companies with Active Approvals	41	39	41
	Active Approvals	185	209	236
SHORT- TERM	Approved Withdrawal locations	643	608	631
ILNIVI	Volume Available for Use (m³)	10,605,996	10,790,642	9,709,121
	Cumulative Volume Reported Withdrawn (m³)	99,270	815,498	864,893



#### SHORT-TERM WATER USE APPROVALS - BC OIL AND GAS COMMISSION

#### OIL AND GAS RELATED WATER LICENCES

ORGANIZED BY OGC WATER MANAGEMENT BASIN (Page 1 of 4)  MAJOR and Sub-Basin Name	NUMBER OF APPROVED WITHDRAWAL LOCATIONS	TOTAL VOLUME APPROVED (m³) FOR LOCATIONS ACTIVE ON 9/30/2018	TOTAL VOLUME APPROVED as % of MEAN ANNUAL RUNOFF	TOTAL VOLUME WITHDRAWN IN 2018 (m³)	TOTAL VOLUME WITHDRAWN AS % OF MEAN ANNUAL RUNOFF	NUMBER O LICENCED WITHDRAW/ LOCATIONS	VOLUME AL LICENCED	TOTAL VOLUME LICENCED as % of MEAN ANNUAL RUNOFF	TOTAL VOLUME WITHDRAWN IN 2018 (m³)	TOTAL VOLUME WITHDRAWN as % of MEAN ANNUAL RUNOFF	MEAN ANNUAL RUNOFF (m³)
BEATTON RIVER (sub-basin of Peace River)											
Upper Beatton River	4	550,800	0.110%	23,716	0.005%	10	1,137,337	0.228%	114,341	0.023%	499,408,440
Middle Beatton River	24	305,650	0.123%	0	0.000%						249,152,995
Middle Beatton Total (incl. Upper Beatton)	28	856,450	0.114%	23,716	0.003%	10	1,137,337	0.152%	114,341	0.015%	748,561,435
Milligan Creek	19	230,085	0.120%	0	0.000%						191,536,686
Blueberry River	49	1,046,936	0.357%	0	0.000%						293,278,540
Doig River	2	7,200	0.002%	0	0.000%						323,069,523
Lower Beatton River	25	285,187	0.205%	13,505	0.010%	1	394,000	0.285%	22,996	0.017%	138,262,629
BEATTON TOTAL	123	2,423,858	0.143%	37,221	0.002%	11	1,531,337	0.090%	137,337	0.008%	1,694,708,813
HALFWAY RIVER (sub-basin of Peace River)											
Chowade River											327,027,527
Upper Halfway River											795,962,409
Upper Halfway Total (includes Chowade)	0	0	0.000%	0	0.000%	0	0	0.000%	0	0.000%	1,122,989,936
Graham River	2	3,450	0.000%	1,170	0.000%						860,627,172
Cameron River	17	257,352	0.115%	30,284	0.014%	7	246,323	0.110%	1,424	0.001%	223,679,567
Lower Halfway River	5	120,581	0.080%	457	0.000%	7	3,838,688	2.533%			151,526,991
HALFWAY TOTAL	24	381,383	0.016%	31,911	0.001%	14	4,085,011	0.173%	1,424	0.000%	2,358,823,666
MOBERLY RIVER (sub-basin of Peace River)											
Moberly River	5	30,388	0.008%	25,743	0.007%						391,714,995
MOBERLY TOTAL	5	30,388	0.008%	25,743	0.007%	0	0	0.000%	0	0.000%	391,714,995
PINE RIVER (sub-basin of Peace River)											
Burnt River											737,930,022
Sukunka River	3	20,000	0.002%	940	0.000%						1,047,282,572
Sukunka River Total (includes Burnt)	3	20,000	0.001%	940	0.000%	0	0	0.000%	0	0.000%	1,785,212,594
Upper Pine River	3	53,300	0.004%	23,063	0.002%						1,466,884,035
Murray River	3	20,850	0.001%	0	0.000%						2,698,285,017
Lower Pine River	30	627,732	0.456%	101,555	0.074%	2	1,300,000	0.945%	196,060	0.142%	137,619,889
PINE TOTAL	39	721,882	0.012%	125,558	0.002%	2	1,300,000	0.021%	196,060	0.003%	6,088,001,535

SUMMARY OF WATER ALLOCATION AND USE FOR OIL AND	SHORT-TERM WATER USE APPROVALS - BC OIL AND GAS COMMISSION						OIL AND GAS RELATED WATER LICENCES					
GAS ACTIVITIES IN 2018, ORGANIZED BY OGC WATER MANAGEMENT BASIN (Page 2 of 4)	NUMBER OF		TOTAL VOLUME	TOTAL	TOTAL VOLUME WITHDRAWN	NUMBER (		TOTAL VOLUME LICENCED as	TOTAL	TOTAL VOLUM	N MEAN	
MAJOR and Sub-Basin Name	APPROVED WITHDRAWAL LOCATIONS	ACTIVE ON	APPROVED as % of MEAN ANNUAL RUNOFF	VOLUME WITHDRAWN IN 2018 (m³)	AS % OF MEAN ANNUAL RUNOFF	LICENCEI WITHDRAW LOCATION	VAL LICENCED	% of MEAN ANNUAL RUNOFF	VOLUME WITHDRAWN IN 2018 (m³)	as % of MEAI ANNUAL RUNOFF	N ANNUAL RUNOFF (m³)	
KISKATINAW RIVER (sub-basin of Peace River)												
West Kiskatinaw River											117,515,115	
East Kiskatinaw River	1	5,000	0.005%	0	0.000%						105,452,962	
Middle Kiskatinaw River	5	1,224,996	2.174%	247,581	0.439%						56,347,972	
Middle Kiskatinaw Total (incl. West & East)	6	1,229,996	0.440%	247,581	0.089%	0	0	0.000%	0	0.000%	279,316,049	
Lower Kiskatinaw River	11	357,233	0.398%	39,201	0.044%	5	2,223,069	2.479%	453,670	0.506%	89,659,847	
KISKATINAW TOTAL	17	1,587,229	0.430%	286,782	0.078%	5	2,223,069	0.602%	453,670	0.123%	368,975,896	
PEACE RIVER												
Peace Arm						3	9,125,000	0.000%	53,405	0.000%	N/A	
Upper Peace River	1	780,000	0.002%	0	0.000%						36,423,413,429	
Lynx Creek											30,436,635	
Farrell Creek	4	22,300	0.025%	0	0.000%						91,018,843	
Cache Creek	3	28,500	0.038%	0	0.000%	3	366,157	0.491%	59,039	0.079%	74,603,546	
Pouce Coupe River	32	1,337,720	0.523%	189,901	0.074%	3	582,754	0.228%	31,956	0.012%	255,686,202	
Lower Peace River	13	104,662	0.091%	131,100	0.115%	5	2,388,348	2.086%	1,143,864	0.999%	114,470,012	
<b>PEACE TOTAL</b> (incl. Kisk/Pine/Moberly/Half/Beatton)	261	7,417,922	0.015%	828,216	0.002%	46	21,601,676	0.045%	2,076,755	0.004%	47,891,853,572	
SMOKY RIVER												
Smoky River	3	9,000	0.000%	0	0.000%	1	2,500	0.000%	0	0.000%	2,669,506,123	
SMOKY TOTAL	3	9,000	0.000%	0	0.000%	1	2,500	0.000%	0	0.000%	2,669,506,123	
MUSKWA RIVER (sub-basin of Fort Nelson River)												
Upper Muskwa River											1,725,201,511	
Middle Muskwa River											1,973,711,816	
Middle Muskwa Total (incl. Upper Muskwa)	0	0	0.000%	0	0.000%	0	0	0.000%	0	0.000%	3,698,913,327	
Lower Muskwa River											646,841,560	
MUSKWA TOTAL	0	0	0.000%	0	0.000%	0	0	0.000%	0	0.000%	4,345,754,887	
PROPHET RIVER (sub-basin of Fort Nelson River)		•									.,= -=,- = -,-=-	
Upper Prophet River	1	1,500	0.000%	0	0.000%	1	36,593	0.002%	0	0.000%	1,470,271,289	
Middle Prophet River	5	30,700	0.005%	0	0.000%	•	20,373	2.002/0	Ū	0.00070	621,428,680	
Middle Prophet Total (incl. Upper Prophet)	6	32,200	0.002%	0	0.000%	1	36,593	0.002%	0	0.000%	2,091,699,969	
middle i tophet fotal (men oppet i tophet)	•	32/200	V. V V Z / U	-	0.000/0	•	30,373	V. VV Z /0	•	0.000/0	_,071,077,707	

0.000%

0.000%

36,593

0.002%

1

0

411,510

443,710

6 **12**  0.151%

0.019%

Lower Prophet River

**PROPHET TOTAL** 

272,262,427

2,363,962,396

0.000%

SUMMARY OF WATER ALLOCATION AND USE FOR OIL AND	SHORT-TERM WATER USE APPROVALS - BC OIL AND GAS COMMISSION						OIL AND GAS RELATED WATER LICENCES						
GAS ACTIVITIES IN 2018, ORGANIZED BY OGC WATER MANAGEMENT BASIN (Page 3 of 4)  MAJOR and Sub-Basin Name	NUMBER OF APPROVED WITHDRAWAL LOCATIONS	TOTAL VOLUME APPROVED (m³) FOR LOCATIONS ACTIVE ON 9/30/2018	TOTAL VOLUME APPROVED as % of MEAN ANNUAL RUNOFF	TOTAL VOLUME WITHDRAWN IN 2018 (m³)	TOTAL VOLUME WITHDRAWN AS % OF MEAN ANNUAL RUNOFF	NUMBER LICENCE WITHDRAV LOCATION	D VOLUME VAL LICENCED	TOTAL VOLUME LICENCED as % of MEAN ANNUAL RUNOFF	TOTAL VOLUME WITHDRAWN IN 2018 (m³)	TOTAL VOLUME WITHDRAWN as % of MEAN ANNUAL RUNOFF	MEAN ANNUAL RUNOFF (m³)		
SIKANNI CHIEF RIVER (sub-basin of Fort Nelson River)													
Upper Sikanni Chief River						2	6,039,241	0.748%	0	0.000%	807,771,692		
Middle Sikanni Chief River	28	500,658	0.053%	2,722	0.000%	4	29,202	0.003%	1,889		949,755,794		
Middle Sikanni Chief Total (incl. Upper Sikanni)	28	500,658	0.028%	2,722	0.000%	6	6,068,443	0.345%	1,889	0.000%	1,757,527,486		
Lower Sikanni Chief	3	7,000	0.001%	1,371							875,678,142		
SIKANNI CHIEF TOTAL	31	507,658	0.019%	4,093	0.000%	6	6,068,443	0.230%	1,889	0.000%	2,633,205,628		
FORT NELSON RIVER											,		
Kahntah River	14	87,400	0.022%	0	0.000%						400,582,903		
Fontas River	2	24,500	0.004%	5,579	0.001%						591,531,903		
Fontas Total (includes Kahntah)	16	111,900	0.011%	5,579	0.001%	0	0	0.000%	0	0.000%	992,114,806		
Klua Creek											402,135,448		
Upper Fort Nelson River				301	0.000%						276,181,026		
Upper Fort Nelson Total (incl. Sikanni Chief Tota	l, 47	619,558	0.014%	9,973	0.000%	6	6,068,443	0.141%	1,889	0.000%	4,303,636,908		
Kahntah, Fontas, Klua)													
Snake River				853							310,763,522		
Sahtaneh River	3	22,500	0.005%	2,201	0.000%						474,904,729		
Middle Fort Nelson River	1	10,000	0.002%	0	0.000%						515,348,901		
Middle Ft Nelson Total (incl. Upper Ft. Nelson total, Muskwa Total, Prophet Total, Snake, Sahtaneh)	63	1,095,768	0.009%	13,027	0.000%	7	6,105,036	0.050%	1,889	0.000%	12,314,371,343		
Kiwigana River	10	39,200	0.009%	1,276	0.000%						441,657,543		
Lower Fort Nelson River											312,768,938		
FORT NELSON TOTAL	73	1,134,968	0.009%	14,303	0.000%	7	6,105,036	0.047%	1,889	0.000%	13,068,797,824		
LIARD RIVER													
Muncho River											551,551,360		
Upper Liard River											33,125,817,465		
Upper Liard Total (incl. Muncho)	0	0	0.000%	0	0.000%	0	0	0.000%	0	0.000%	33,677,368,825		
Grayling River											630,833,914		
Upper Toad River Racing River											1,521,055,576		
Lower Toad River											1,488,336,681 419,472,722		
Beaver River											10,862,659,426		
Middle Liard River											463,652,312		
											,		

SUMMARY OF WATER ALLOCATION AND USE FOR OIL AND GAS ACTIVITIES IN 2018, ORGANIZED BY OGC WATER

#### SHORT-TERM WATER USE APPROVALS - BC OIL AND GAS COMMISSION

OIL AND GAS RELATED WATER LICENCES

MAJOR and Sub-Basin Name	NUMBER OF APPROVED WITHDRAWAL LOCATIONS	TOTAL VOLUME APPROVED (m³) FOR LOCATIONS ACTIVE ON 9/30/2018	TOTAL VOLUME APPROVED as % of MEAN ANNUAL RUNOFF	TOTAL VOLUME WITHDRAWN IN 2018 (m³)	TOTAL VOLUME WITHDRAWN AS % OF MEAN ANNUAL RUNOFF	NUMBER OF LICENCED WITHDRAWA LOCATIONS	VOLUME AL LICENCED	TOTAL VOLUME LICENCED as % of MEAN ANNUAL RUNOFF	TOTAL VOLUME WITHDRAWN IN 2018 (m³)	TOTAL VOLUME WITHDRAWN as % of MEAN ANNUAL RUNOFF	MEAN
LIARD RIVER con't											
Middle Liard Total (incl. Upper Liard Total, Grayling,	0	0	0.000%	0	0.000%	0	0	0.000%	0	0.000%	49,063,379,456
Upper Toad, Racing, Lower Toad, Beaver)											
Capot-Blanc Creek											183,879,851
Dunedin River											820,464,167
Lower Liard River											1,236,634,664
LIARD TOTAL (incl. Fort Nelson)	73	1,134,968	0.002%	14,303	0.000%	7	6,105,036	0.009%	1,889	0.000%	64,373,155,962
PETITOT RIVER											
Sahdoanah River	36	47,680	0.019%	3,081	0.001%						252,625,362
Upper Petitot River	54	116,085	0.008%	1,400	0.000%						1,476,579,488
Tsea River	62	214,439	0.049%	3,022	0.001%						434,062,484
Middle Petitot River	30	162,925	0.023%	530	0.000%						698,562,753
Middle Petitot Total (incl. Sahdoanah,	182	541,129	0.019%	8,033	0.000%	0	0	0.000%	0	0.000%	2,861,830,087
Upper Petitot, Tsea)											
Lower Petitot River	14	26,600	0.003%	0	0.000%						904,314,069
PETITOT TOTAL	196	567,729	0.015%	8,033	0.000%	0	0	0.000%	0	0.000%	3,766,144,156
HAY RIVER											
Upper Kotcho River	1	20,000	0.006%	165	0.000%						311,519,217
Kyklo River	1	8,000	0.005%	2,639	0.002%						145,897,691
Shekilie River	27	175,600	0.039%	0	0.000%						450,747,494
Lower Kotcho River	1	3,000	0.001%	1,023	0.000%						311,519,217
Lower Kotcho Total (includes Upper Kotcho,	30	206,600	0.017%	3,827	0.000%	0	0	0.000%	0	0.000%	1,219,683,619
Kyklo, Shekilie)											
Hay River	25	175,000	0.032%	5,684	0.001%						538,672,352
HAY TOTAL	55	381,600	0.022%	9,511	0.001%	0	0	0.000%	0	0.000%	1,758,355,971
CHINCHAGA RIVER											
Chinchaga River	31	95,097	0.087%	3,489	0.003%						109,492,680
CHINCHAGA TOTAL	31	95,097	0.087%	3,489	0.003%	0	0	0.000%	0	0.000%	109,492,680
OTHER (outside Northeast B.C.)	12	102,805	0.000%	1,341	0.000%	0	0	0.000%	0	0.000%	N/A
GRAND TOTAL	631	9,709,121	0.008%	864,893	0.001%	54	27,709,212	0.023%	2,078,644	0.002%	120,568,508,464



Previous annual water reports and quarterly updates are available on the Commission's website at: <a href="http://www.bcogc.ca/public-zone/water-information">http://www.bcogc.ca/public-zone/water-information</a>

For specific questions or enquiries regarding this data, please contact: OGC.Communications@bcogc.ca