



THIS AGREEMENT is made as of this 8TH day of December, 2017

BETWEEN: **PROVINCIAL AGRICULTURAL LAND COMMISSION**
133, 4940 Canada Way, Burnaby, B.C. V5G 4K6

(the "ALC")

AND: **OIL AND GAS COMMISSION**
200, 10003 -100th Avenue, Fort St. John, B.C. V1J 6M7

(the "OGC")

WHEREAS:

- A. The ALC is responsible for administering the Agricultural Land Reserve and is mandated pursuant to the ALC Act to preserve agricultural land, to encourage farming on agricultural land, and to encourage government and its agents to enable and accommodate farm use of agricultural land and uses compatible with agriculture in their plans and policies.
- B. Pursuant to the ALC Act, the ALC may receive and decide applications for permission for non-farm use of agricultural lands, which applications may relate to the proposed use of agricultural lands for oil and gas activities and ancillary activities.
- C. The OGC is responsible for regulating oil and gas activities and related activities in British Columbia.
- D. Pursuant to section 39 of the Agricultural Land Reserve Use, Subdivision and Procedure Regulation (B.C. Reg. 171/2002), the OGC Commissioner is prescribed as a public officer for the purposes of section 26(1) (b) of the ALC Act.
- E. Preserving agricultural land and the sound development of the oil and gas sector are both important to the economic, social and/or environmental sustainability of British Columbia.

- F. The ALC and the OGC support the one window regulation of the oil and gas sector in British Columbia and seek ways to streamline and improve the review and approval processes for oil and gas activities and ancillary activities on agricultural land reserve lands while preserving agricultural lands and encouraging the farming of agricultural lands.
- G. Pursuant to section 26 of the ALC Act, the ALC and the OGC wish to enter into an agreement that:
- a. enables the OGC and the OGC Commissioner to exercise some or all of the ALC's power to decide applications for permission for non-farm use of Identified ALR Lands for oil and gas activities and ancillary activities, and
 - b. exempts certain non-farm uses of Identified ALR Lands for oil and gas activities and ancillary activities from the requirement of an application for permission for non-farm use subject to certain conditions.

NOW THEREFORE in consideration of the premises, the terms and conditions contained in this Agreement, and other good and valuable consideration, the parties agree as follows:

I. INTERPRETATION

1. Unless otherwise specified or the context otherwise requires, words and expressions in this Agreement have the same meaning as in the *Agricultural Land Commission Act* and in the *Oil and Gas Activities Act*.
2. For the purposes of this Agreement,

"ALC" means the Provincial Agricultural Land Commission established under section 4 of the ALC Act;

"ALC Act" means the *Agricultural Land Commission Act*, S.B.C. 2002 c. 36 and its associated regulations;

"ALC Chair" means chair of the ALC appointed under section 5(2) (a) of the ALC Act;

"ALC Chief Executive Officer" means chief executive officer of the ALC appointed under section 8(1) of the ALC Act;

"ancillary activity" means an activity, the carrying out of which is required for the carrying out of an oil and gas activity. On crown land, ancillary activities may also be "related activities" (as that term is defined in OGAA. On private land ancillary activities require a surface use agreement with the land owner or, in some limited cases, a right of entry order issued by the Surface Rights Board;

“Appendix II Rationale” means a written rationale describing how the impact of the proposed oil and gas activities or ancillary activities on the agricultural capability of the land, and any current or planned agricultural operations on the land has been minimized in accordance with the guidelines set out in Appendix II;

“Identified ALR Lands” means lands located within the Peace River Regional District and Northern Rockies Regional Municipality that are designated as an agricultural land reserve under the ALC Act or a former Act;

“OGAA” means the *Oil and Gas Activities Act*, S.B.C. 2008, c. 36 and its associated regulations;

“OGC” means the Oil and Gas Commission continued under section 2 of OGAA;

“OGC Commissioner” means the Commissioner appointed under section 2(3) of OGAA;

“OGC Deputy Commissioner” means the following positions within the OGC as adjusted or renamed from time to time:

- (a) the Deputy Commissioner appointed under section 2(10) of OGAA,
- (b) the Executive Vice President, Chief Operating Officer, and
- (c) the Vice President, Applications

“operator” means

- (a) a person entitled to produce and dispose of petroleum and natural gas from a well under the *Petroleum and Natural Gas Act*, or
- (b) a person who holds or has applied for a permit, license, authorization, approval or other instrument for which the OGC has decision making authority.

“producer” has the same meaning as in the *Oil and Gas Activities Act General Regulation*, B.C. Reg. 274/2010;

“Qualified Specialist” means a member in good standing of a profession regulated in British Columbia who is recognized by that profession as being qualified to practice in the areas of soils and reclamation of oil and gas development sites and who possesses an appropriate combination of formal education, knowledge, skills and experience to conduct a technically sound and rational assessment in these areas of practice.

“Schedule A Report” means a report prepared by a Qualified Specialist according to the procedures and containing the information specified in Schedule A;

“Schedule B Report” means a report prepared by a Qualified Specialist according to the procedures and containing the information specified in Schedule B;

3. Appendix I, Appendix II, Schedule A and Schedule B referenced in and attached to this Agreement form part of this Agreement and shall be read, taken and construed as essential parts of this Agreement.

II. ACTIVITIES EXEMPTED FROM THE REQUIREMENT OF AN APPLICATION FOR PERMISSION FOR NON-FARM USE UNDER THE ALC ACT

4. Pursuant to section 26(2) of the ALC Act, the ALC and the OGC agree that oil and gas activities and ancillary activities located on the Identified ALR Lands are exempt from the requirement of an application under the ALC Act for permission for a non-farm use where:
 - 4.1 the proponent of the activity is an operator and the proposed non-farm use is identified with an X in column 2 of Appendix I;
 - 4.2 the OGC receives:
 - 4.2.1 a Schedule A Report, if a Schedule A Report is required pursuant to Schedule A; and
 - 4.2.2 an Appendix II Rationale that the Commission has, in its discretion, accepted on the basis that it sufficiently addresses the guidelines set out in Appendix II
 - 4.3 the proponent of the activity is required to:
 - 4.3.1 implement any recommendations for soil handling and management of surface water contained in the Schedule A Report;
 - 4.3.2 conduct reclamation of any area of land disturbed by the non-farm use,
 - 4.3.2.1 within 24 months of the date of pipeline installation, if the proposed non-farm use is for the construction of a pipeline, or
 - 4.3.2.2 within 24 months of the date that the use of the area of land disturbed by the non-farm use is no longer required for the oil and gas activity or ancillary activity, if the proposed non-farm use is not for the construction of a pipeline;
 - 4.3.3 complete reclamation of areas disturbed by the non-farm use in accordance with any Schedule A Report and with the requirements set out in Schedule B of this Agreement, or in accordance with such alternate

requirements identified by a Qualified Specialist and agreed to by the OGC; and

- 4.3.4 submit a Schedule B Report to the OGC and, if the non-farm use has occurred on land other than Crown land, to the land owner(s) of the land on which the non-farm use has occurred within the following timelines:
 - 4.3.4.1 if construction was complete before May 1, by Dec. 31 of the second calendar year following the year of construction, or
 - 4.3.4.2 if construction was complete after May 1, by December 31 of the third calendar year following the year of construction.

III. APPLICATIONS FOR PERMISSION FOR NON-FARM USE

- 5. The ALC and the OGC hereby agree that the OGC, the OGC Commissioner and the Deputy OGC Commissioner are enabled to exercise the ALC's power, pursuant to sections 25(1) and (2) of the ALC Act, to decide applications for permission for non-farm use of Identified ALR Lands for oil and gas activities and ancillary activities where:
 - 5.1 the proponent of the activity is an operator and the proposed non-farm use:
 - 5.1.1 is identified with an X in column 2 of Appendix I, but does not meet the requirement set out in article 4.2.2, or
 - 5.1.2 is identified with an X in column 3 of Appendix I.
- 6. In exercising the ALC's power to decide applications for permission for non-farm use of pursuant to article 5 above, the OGC, the OGC Commissioner and the Deputy OGC Commissioner will require:
 - 6.1 applications to be made in accordance with any applicable provisions of the ALC Act;
 - 6.2 a Schedule A Report, if a Schedule A Report is required pursuant to Schedule A, and an Appendix II Rationale to be submitted to the OGC;
 - 6.3 the proponent of activity to:
 - 6.3.1 implement any recommendations for soil handling and management of surface water contained in the Schedule A Report; and
 - 6.3.2 conduct reclamation of any area of land disturbed by the proposed non-farm use,
 - 6.3.2.1 within 24 months of the date of pipeline installation, if the proposed non-farm use is for the construction of a pipeline, or
 - 6.3.2.2 within 24 months of the date that the use of the area of land disturbed by the proposed non-farm use is no longer required for

the oil and gas activity or ancillary activity, if the proposed non-farm use is not for the construction of a pipeline;

- 6.3.3 complete reclamation of areas disturbed by the proposed non-farm use in accordance with any Schedule A Report and with the requirements set out in Schedule B of this Agreement, or in accordance with such alternate requirements identified by a Qualified Specialist and agreed to by the OGC; and
- 6.3.4 submit a Schedule B Report to the OGC and, if the non-farm use has occurred on land other than Crown land, to the land owner(s) of the land on which the non-farm use has occurred within the following timelines:
 - 6.3.4.1 if construction was complete before May 1, by Dec. 31 of the second calendar year following the year of construction, or
 - 6.3.4.2 if construction was complete after May 1, by December 31 of the third calendar year following the year of construction.

- 7. On application made by a party in accordance with articles 5 and 6, the OGC, OGC Commissioner or Deputy Commissioner may, after:
 - 7.1 considering the Schedule A Report, if a Schedule A Report is required pursuant to Schedule A;
 - 7.2 considering the Appendix II Rationale; and
 - 7.3 providing copies of the application to relevant local governments and Ministry of Agriculture and considering the issues or concerns raised by the local government or the Ministry of Agriculture, if any;refuse permission for the proposed non-farm use, grant permission for the proposed non-farm use or grant permission for an alternative non-farm use.
- 8. In granting permission for a proposed non-farm use or for an alternative non-farm use under article 7, the OGC, OGC Commissioner or Deputy Commissioner may impose any terms considered advisable, including but not limited to terms relating to activities referenced in article 6.3 above.

IV. INSPECTION AND COMPLIANCE

- 9. The OGC will conduct inspections and undertake enforcement activities as authorized under section 56 (1) of the ALC Act.
- 10. The OGC will respond to all complaints from landowners regarding reclamation of sites disturbed by oil and gas activities and ancillary activities on Identified ALR Lands authorized

under this Agreement and will seek the advice of a Qualified Specialist and communicate information about such complaints to the ALC.

11. The OGC will ensure its inspectors have a general knowledge and awareness of appropriate reclamation practices on agricultural land and seek the advice of the land owner and a Qualified Specialist regarding any areas of concern.

V. AUDIT AND REPORTING REQUIREMENTS

12. The OGC will review the operation of this Agreement annually and submit to the ALC, by May 15 of each year or such other date agreed upon by the ALC Chief Executive Officer and OGC Commissioner, a report that includes the following information for the preceding fiscal period related to oil and gas activities and ancillary activities on Identified ALR Lands and present the report in a meeting with the ALC:

- 12.1 The area affected by each type of oil and gas activity and ancillary activity and the total area affected;
- 12.2 The area affected by oil and gas activities and ancillary activities in each capability class according to the Land Capability Classification for Agriculture in British Columbia classification system;
- 12.3 The area affected by oil and gas activities and ancillary activities in each of the following categories land cover categories: cultivated / pasture, forested and shrub
- 12.4 The area of private land and crown land developed for oil and gas activities and ancillary activities
- 12.5 A summary of the cumulative footprint of oil and gas activities and ancillary activities in each of the categories and subcategories specified in 12. 1 to 12.4 expressed in hectares and as a percentage of the overall area of ALR Lands in each category and subcategory;
- 12.6 The number of sections where the footprint of oil and gas activities and related activities exceeds 20 ha and the total number of sections within the Identified ALR Lands
- 12.7 the total number of activities, by activity type exempted from requiring permission for non-farm use pursuant to Part II of this Agreement;
- 12.8 the number of applications for permission for non-farm use, by activity type, received by the OGC, the OGC Commissioner and/or the OGC Deputy Commissioner and the decision made on these applications;
- 12.9 the total number of Schedule B Reports received by the OGC and the total area identified as reclaimed in those reports;

- 12.10 the total number of inspections and investigations conducted by the OGC pursuant to Part IV of this Agreement;
 - 12.11 the total number of enforcement actions undertaken by the OGC pursuant to section 56(1) of the ALC Act; and
 - 12.12 a summary of individual investigations referenced in 12.10 above, that includes:
 - 12.12.1 applicant contact information;
 - 12.12.2 land owner contact information;
 - 12.12.3 location of the oil and gas activity or ancillary activity;
 - 12.12.4 a description of the issue or concern; and
 - 12.12.5 any resolution of the issue or concern.
13. All area measurements in 12.1 to 12.6 will be consistent with the parameters specified in Appendix I and data on the various categories and subcategories will be accessed from the most current information in provincial spatial databases.

VI. COMMUNICATION

14. In addition to the requirements set out in Part V of this Agreement, to the extent permitted by and in accordance with their respective privacy and/or access to information legislation, the OGC, upon request of the ALC will provide information regarding the administration of this Agreement (i.e. compliance reports; annual inspection reports).
15. Upon making a decision on applications for permission for non-farm use pursuant to Part III of this Agreement, the OGC will provide a copy of the decision document, including a map showing the location of the proposed activity, to the ALC.
16. No information supplied to by one Party to another pursuant to this Agreement may be published or disclosed to a third party without the consent of the supplying Party, except as required by law or for an investigation or enforcement purpose.
17. Where a Party discloses information as a requirement of law or for an investigation or enforcement purpose, the disclosing party shall advise the other party in advance of such disclosure, or, where advance notice is not practicable, immediately after such disclosure.

VII. FEES

18. With respect to applications for permission for non-farm use that are determined by the OGC, the OGC may retain the entire fee payable under the ALC Act, or if the OGC determines that a fee is unnecessary, such fee may be waived.

VIII. DISPUTES

19. If, in relation to a specific application for permission for non-farm use, a dispute arises regarding whether the proposed non-farm use is identified by an X in column 2 or column 3 of Appendix I, the ALC Chief Executive Officer and OGC Commissioner will decide jointly.
20. If a dispute arises between the parties regarding the interpretation of a provision of this Agreement, the ALC Chief Executive Officer and OGC Commissioner will make all reasonable efforts to resolve the dispute.

IX. APPLICATION

21. If a non-farm use of Identified ALR Lands for oil and gas activities or ancillary activities was authorized before the effective date of this Agreement, but no Schedule B Report has been submitted to the OGC as at the effective date of this Agreement:
 - 21.1 the requirements set out in article 4.3 apply if the non-farm use was exempt from any application for permission for a non-farm use; and
 - 21.2 the requirements set out in article 6.3 apply if permission for the non-farm use was granted by the OGC, the OGC Commissioner or the OGC Deputy Commissioner.

X. AMENDMENT

22. Amendments to this Agreement or to Appendix I of this Agreement may only be made once in any calendar year and must be made on or before September 1 of any year.
23. Amendments to Appendix II, Schedule A or Schedule B of this Agreement may be made at any time.
24. No amendment to this Agreement or to the Appendices or Schedules to this Agreement will be effective unless it is made in writing and signed by both parties.

XI. TERMINATION

25. This Agreement may be terminated by either Party upon three (3) months written notice to the other Party or on such other notice period that is mutually agreed to by the ALC Chair and the OGC Commissioner.

XII. EXECUTION, CANCELLATION AND REPLACEMENT, EFFECTIVE DATE

26. This Agreement cancels and replaces the Delegation Agreement entered into between the ALC and the OGC which is dated for reference June 13, 2013.
27. This Agreement and any amendments may be executed in counterparts, each of which when so executed shall be deemed to be an original and which, taken together, shall constitute the same agreement.
28. This Agreement and any amendments are effective as of the date they have been executed by both the ALC and the OGC.

SIGNED THIS 8TH DAY OF DECEMBER, 2017

PROVINCIAL AGRICULTURAL LAND COMMISSION,
as represented by the Chair of the Provincial Agricultural Land Commission

A handwritten signature in black ink, appearing to read "Frank Leonard", written over a horizontal line.

Frank Leonard

OIL AND GAS COMMISSION,
as represented by the Commissioner of the Oil and Gas Commission

A handwritten signature in black ink, appearing to read "Paul Jenkins", written over a horizontal line.

Paul Jenkins

APPENDIX I

Categories of Oil and Gas Activity and Ancillary Activity Non-Farm Uses

Item	Column 1 Proposed Non-farm use	Column 2 Exempt from application under the ALC Act for non-farm use permission ¹	Column 3 Application under the ALC Act for non-farm use permission made to the OGC
1	Oil and gas activity or ancillary activity sites, where the combined total area occupied by existing and proposed activities on the section is ≤ 20.0 hectares.	X	
2	Oil and gas activity and ancillary activity sites where the combined total area occupied by existing and proposed activities on the section is > 20.0 hectares.		X
3	Pipelines or electric powerlines that are buried; powerlines that are immediately adjacent to access roads.	X	
4	Above ground electric power line that is not immediately adjacent to access roads.		X
5	Conversion or expansion of an existing oil and gas activity or ancillary activity, or a new oil and gas activity or ancillary activity that is listed in (i)-(v) below, for which new land is required and the total project (lease) area is > 3.0 hectares. (i) Facilities (including gas processing plants) that handle product from more than one facility or well site, (ii) Camps, (iii) Sumps, (iv) Borrow/aggregate extraction sites (v) Produced-water/fresh-water storage site		X
6	Oil and gas waste storage, treatment, and/or disposal facility that is operated by a person who is not a producer, or a conversion or expansion of such a site for which new land is required.		X

¹ Non-farm uses that are exempt from the requirement of an application under the ALC Act for permission for non-farm use are subject to the conditions for reporting and reclamation set out in section 4.3 of this Agreement.

Area Calculations

The combined total area occupied by existing and proposed oil and gas activities and ancillary activities on Identified ALR Lands on a section will be calculated in accordance with the parameters set out below.

- (A) All existing, approved (but not yet constructed) and proposed oil and gas activity and ancillary activity areas will be included, except:
- (i) pipeline or powerline rights of way, if underground or temporary above ground lines, including temporary workspace required for construction purposes that will be reclaimed at the same time as the right of way area;
 - (ii) a single riser site that is directly related to the operation of a pipeline and is $\leq 0.1\text{ha}$;
 - (iii) electric power lines with single-pole structures (if the powerline does not use single pole structures, only the footprint of the pole and any other support structure is included in area calculations);
 - (iv) seismic lines (including cut lines made by hand or machine in the course of geophysical exploration) and temporary use sites for geophysical exploration (including camps) where the seismic lines and sites are immediately reclaimed following the completion of the geophysical exploration, if such reclamation is required by permit or by OGAA;
 - (v) temporary access that is constructed in frozen conditions or using protective matting where no roadbed development is required and compaction is minimal; and
 - (vi) identified sites that:
 - (a) are only used during the construction or commissioning phase of an oil and gas activity or ancillary activity, and will be immediately reclaimed following the completion of the construction or commissioning;
 - (b) no surface soil stripping or significant compaction or rutting (as compared to adjacent site) is reasonably expected to occur, and if such things do occur, the disturbed area is immediately reclaimed; and
 - (c) the site will be available for farm use upon completion of the construction and commissioning (if applicable) phases of the oil and gas activity or ancillary activity.
 - (vii) areas for which a Schedule B report declaring reclamation as complete has been accepted by the OGC.
- (B) The section is:
- (i) the legal section for activities located inside the Peace River Block (i.e. Section 1, Township 86, Range 17, W6M); or
 - (ii) the equivalent area of four units starting sequentially in the SW corner of the Block in the National Topographical System for activities located outside the Peace River Block (i.e. units 1-2-12-11; 3-4-14-13; etc.; Block E, 94-A-11).

APPENDIX II

Guidelines for Planning Oil and Gas Activities and Ancillary Activities on ALR Lands

THIS APPENDIX II is made as of this 8th day of December, 2017 [*and cancels and replaces the APPENDIX II entered into between the ALC and the OGC dated June 13, 2013*].

Before proposing oil and gas activities or ancillary activities on ALR lands it should first be determined that the proposed activity cannot reasonably be located on non-ALR land. Where locating the activity on non-ALR land is not feasible, the objective is to minimize the impact of the proposed activity.

Minimizing the impact of oil and gas activities and ancillary activities on ALR land will be achieved by determining the optimal combination of total area disturbed and location of the activity as it relates to agricultural capability of the land, and any current or planned agricultural operations on the land.

The total area impacted can be minimized by limiting the extent of the disturbance to what is necessary to safely and appropriately conduct the activity.

Impact on agricultural land and agricultural operations can be minimized by locating activities based on the following order of preference:

1. Land that is not within the ALR.
2. Land that is classified as BC Land Capability for Agriculture Class 7.¹
3. Forested land that has limited current or planned agricultural use.
4. Land for which agricultural use is generally limited to perennial forage crops or grazing (BC Land Capability for Agriculture Class 5 or 6).
5. Uncultivated pasture land where any of the following apply:
 - There are no practicable alternatives to locate the activities on lands identified in 1 – 3 (above);
 - The proposed activities are located on the land in order to utilize existing disturbance;
 - Locating the activities elsewhere would have a more significant impact on productive agricultural land;
 - Locating the activities elsewhere would have a more significant impact on existing or planned agricultural operations;

¹ Kenk, E. and I. Conti.1983. Land Capability Classification For Agriculture in BC: MOE Manual 1. Ministry of Environment and Ministry of Agriculture and Food. Kelowna, BC

- Locating the activities elsewhere would have an unacceptable incremental impact on residents' use and enjoyment of their property; or
 - Locating the activities elsewhere would have an unacceptable incremental impact on public and worker safety or significant environmental values.
6. Cultivated land where any of the following apply:
- The proposed activities are located on the land in order to utilize areas of existing non-farm use disturbance;
 - there are no practicable alternatives to locate the activities on lands identified in 1 – 4;
 - Locating the activities elsewhere would have a more significant impact on productive agricultural land;
 - Locating the activities elsewhere would have a more significant impact on existing or planned agricultural operations;
 - Locating the activities elsewhere would have an unacceptable incremental impact on residents' use and enjoyment of their property; and
 - Locating the activities elsewhere would have an unacceptable incremental impact on public and worker safety or significant environmental values.

SIGNED THIS 8TH DAY OF DECEMBER, 2017

PROVINCIAL AGRICULTURAL LAND COMMISSION,
as represented by: Frank Leonard, Chair



I have authority to sign this Appendix II on behalf of the
Provincial Agricultural Land Commission

OIL AND GAS COMMISSION,
as represented by: Paul Jeakins, Commissioner



I have authority to sign this Appendix II on behalf of the Oil
and Gas Commission

SCHEDULE A

THIS SCHEDULE A is made as of this 8th day of December, 2017 [*and cancels and replaces the SCHEDULE A entered into between the ALC and the OGC dated June 13, 2013*].

Introduction

This Schedule A describes:

- the circumstances in which a Schedule A Report is required;
- the purposes of a Schedule A Report; and
- the required content of a Schedule A Report.

Requirement to Prepare and Submit a Schedule A Report

Proponents of oil and gas activities and ancillary activities located in Identified ALR Lands must prepare a Schedule A Report and submit it to the OGC unless the proposed oil and gas activities or ancillary activities are limited to:

- (i) a single riser site that is directly related to the operation of a pipeline and is $\leq$ 0.1ha;
- (ii) electric power lines with single-pole structures;
- (iii) seismic lines (including cut lines made by hand or machine in the course of geophysical exploration) and temporary use sites for geophysical exploration (including camps) where the seismic lines and sites are immediately reclaimed following the completion of the geophysical exploration, if such reclamation is required by permit or by OGAA;
- (iv) temporary access that is constructed in frozen conditions or using protective matting where no roadbed development is required and compaction is minimal; and/or
- (v) identified sites that:
 - (a) are only used during the construction phase of an oil and gas activity, and will be immediately reclaimed following the completion of the construction phase of the oil and gas activity;
 - (b) involve no surface soil stripping or significant compaction or rutting (as compared to adjacent site) is reasonably expected to occur, and if such things do occur, the disturbed area is immediately reclaimed; and
 - (c) will be available for farm use upon completion of the construction and commissioning (if applicable) phases of the oil and gas activity.

Purposes of the Schedule A Report

A Schedule A Report is intended to include:

1. **Area Assessment**, to link with Appendix II Guidelines and document current land resource and agricultural use in the area of the application to aid in planning the activity location in a manner that minimize agricultural impacts;
2. **Pre-development Site Assessment**, to document baseline site information for soil management and reclamation planning;
3. **Recommendations for Soil Conservation and Surface Water Management**, based on an analysis of planned developments using the baseline site assessment; and
4. **Reclamation Planning**, i.e. a preliminary reclamation plan.

Required Content of a Schedule A Report

The different components of a Schedule A Report are described in detail below. In most cases, a new or updated Schedule A Report will include all of these components. In cases where the proposed oil and gas activities and ancillary activities are located entirely on existing sites (i.e. no new land is required), the Schedule A Report may be limited to the components identified in Table 1 (below).

The Schedule A Report should be completed in consultation with the landowner if the oil and gas activity or ancillary use will occur on land other than Crown Land.

Table 1: Schedule A Requirements for Activities Entirely on Existing Sites						
Item	Activity Type	Required Components of Schedule A Report				
		Area Assessment	Site Assessment	Recommendations re: soil/water/ noxious weeds; Existing As-built Plan	Reclamation Plan	
1	New oil and gas activity or ancillary activity (other than Items 2 and 3)	Not Required	Not Required	Update required if needed ²	Not Required	
2	Pipeline	Not Required	Required	Required	Required	
3	Conversion of existing oil and gas activity or ancillary activity site for non-farm use listed in Appendix I Item 5 (i)-(v)	Required	Required	Required	Required	

² For example, an update may be required where activity necessitates new topsoil handling; or erosion are known problems; or where there is no current as-built plan.

1. AREA ASSESSMENT

- a) A table identifying the area of existing, approved (but not yet constructed) and proposed oil and gas activities and ancillary activities on the section by activity type as well as the total area of existing, approved and proposed activities. Areas must be calculated according to the parameters in Appendix I.

A 1:20,000 scale or larger recent air photo or satellite imagery base that readily shows the surface land use and on which the following features are plotted:

- ALR boundaries
- Agricultural Capability Units³ (from published land capability for agriculture maps);
- agricultural use, residences, and farm buildings (from air photo interpretation/stakeholder consultation and ground-truthing);
- existing oil and gas activities and ancillary activities (from OGC data-bases and ground-truthing);
- linear features, including roads and pipelines (from OGC data-base and ground-truthing);
- quarter section boundary lines, land ownership information and farm units (from Crown land /Land Title data-bases and stakeholder consultation);
- surface water features and other significant terrain features that may limit development; and
- the location of the proposed activities.

The features noted above must be plotted for the following area(s):

Activity Type	Land Type	Required plotting area
Road or Pipeline	Any	400 m either side of the proposed activity area.
Activities other than Road and Pipelines	Not suitable for agriculture (i.e. because the land is an existing oil and gas activity or ancillary activity site forested crown land, or is agricultural capability class 6 or 7)	All quarter section(s) on which the activity is proposed.
	May be suitable for agriculture	All quarter section(s) on which the activities are proposed, and all quarter sections contiguous to those sections.

³ The land capability classification system for agriculture in BC is the primary measure of land quality for these guidelines for preparing a Schedule A Report. The system evaluates the land potential for growing a range of crops based on climate, soils and landscape characteristics such as topography and drainage. Class 1 land is capable of the widest range of crops and class 7 has no potential for soil bound agriculture. The severity of eleven limitations or subclasses (such as climate, stoniness or topography) determines the potential capability class. In the Peace River region, climate limits much of ALR lands to class classes 3, 4, and 5. Class 3 and 4 land is primarily used for grain, oilseed, and seed production. Class 5 land is critical for forage and hay production for the beef industry.

2. SITE ASSESSMENT

The level of effort required to conduct site assessments will vary depending on local conditions, but the following requirements are the minimum information, which must be filed with the Oil and Gas Commission and the surface landowner. Site assessments will include: site information, site description, sampling procedures, soil assessment, invasive plants information, and maps.

In relation to this description of the site assessment, “surface lease” means all leases, easements, and rights-of-way which may be required for a well site, access road, pipeline, camp, workspace, sump, borrow pit and/or any other area related to oil and gas production.

Site Information:

- well name/location or pipeline location (tie-in to tie-in)
- proposed oil and gas development (list all)
- petroleum company name contact information
- location and legal description of property(s)
- name and contact information of surface landowner or specify if Crown land
- date of site assessment
- name and address, and profession of person conducting the site assessment
- approximate construction date

Site Description:

- soil classification, unit name, and parent material from published soil survey reports
- the agricultural capability rating from published maps
- current land use (cultivated cropland, hayland, uncultivated pasture, forested, forest with range/grazing or other)
- a rating of the surface drainage (i.e., rapidly to poorly drained) and a description and location of any existing natural water courses
- a description of the site topography, indicating the gradient and aspect of slopes

Soil Inspection Procedures:

The primary purpose of the site assessment is to document the soil quality, quantity, and profile of the surface lease. Soil test pits can be advanced with hand tools, an auger, or construction equipment. The procedures set out below must be followed.

- The soil conditions of a well site, camp, borrow pit etc. must be collected at five locations: one soil test pit must be located 5 m inside from each corner of the surface lease boundary, and one soil test pit must be located at the center of the surface lease. This is the minimum number of soil test pits; more may be necessary based on site conditions.

- Access roads and pipelines greater than 500 m in length require one soil test pit on the centerline of the surface lease for every 250m in length. This is the minimum number of test pits; more may be necessary based on site conditions. If a change in landform/topography/soil characteristics/vegetation is noticed while traversing the right of way, that change should be inspected and/or sampled.
- Access roads and pipelines less than 250m in length require a minimum of two soil test pits including one at the terminus and one at the midpoint.
- For wellsites, soil samples must extend 20 cm below the B horizon (20 cm into the C horizon), or to a maximum depth of 100 cm below the surface of the ground. Under frozen conditions, the soil samples must extend deep enough to accurately characterize the B horizon(s) and 20cm into the C horizon. For pipelines, soil samples must extend deep enough to accurately characterize the B horizon(s) and 20cm into the C horizon.
- There is flexibility in the sampling procedure based on the judgement of the qualified specialist. For example if the site has agricultural capability of class 6 or 7 then sampling intensity could be less.

Soil Assessment:

A visual analysis of the soil at each deep soil test pit should include the following information:

- Sample number
- Soil profile photographs
- Landscape position
- Organic and mineral horizon classifications according to the Canadian System of Soil Classification, Third Edition, 1998
- Mineral horizon properties:
 - Thickness/depth
 - texture,
 - colour contrast between horizons (where required for classification)
 - structure,
 - consistency
 - drainage characteristics: drainage class, seepage depth presence/size/contrast of mottles, and gleyed horizons;
 - coarse fragment content (% by volume);

The coarse fragment size classes are: 2.5 to 7.5 cm (coarse gravel), 7.5 to 25 cm (cobbles), and >25 cm (stones).

Photographs:

Photographs must be taken which show the condition of the surface lease prior to disturbance. Each photograph should have noted with it the location, direction and any comments:

Noxious Weeds:

Listed noxious weeds (also referenced as invasive plants) must be controlled on oil and gas operating areas as required under the *Weed Control Regulation* B.C. Reg. 66/85 and/or Section 15 of the *Environmental Protection and Management Regulation* BC Reg. 200/2010. It is recommended that the baseline condition of noxious weeds also be assessed for weed management during construction, operations and reclamation.

Maps:

Unless this information is already provided as part a corresponding OGAA application, the site assessment must include a large scale site map (such as a construction or survey plan) that includes the following information:

- location of soil test pits;
- topographical features such as, slope direction and drainage pattern;
- land use and current vegetation cover;
- location and description of works required to prevent soil erosion and manage surface runoff;
- location of proposed and existing oil and gas activity and ancillary activity surface structures and buildings within the operating area; and
- a table or schedule identifying the area disturbed by all existing and proposed oil and gas activities (excluding pipelines) and ancillary activities on all sections or equivalent where these activities are proposed within the ALR. (Area calculations must be conducted in accordance with Appendix I.)

3. RECOMMENDATIONS FOR SOIL CONSERVATION AND SURFACE WATER MANAGEMENT

General guidelines for conserving soil and controlling noxious weeds may be found in Sections 7 and 9 of OGC's Environmental Protection and Management Guide. In addition to these general guidelines, the planned oil and gas developments with site assessment information should be analyzed to provide, where advisable, more site-specific soil conservation measures for the construction and production phases and to achieve effective and efficient restoration as required under Schedule B. Where surface soils must be disturbed, then selective topsoil stripping and storage is required unless it is impractical or will provide no benefit (rationale should be provided). Site-specific recommendations should be made with respect to:

- Topsoil/subsoil salvage depths and range of variability (minimum and maximum)
- Estimates of salvageable topsoil/ subsoil

- Topsoil/subsoil storage locations
- preventing or controlling erosion and compaction;
- surface water management; and

If the construction season is unknown and recommendations would be different for frozen and unfrozen conditions, two prescriptions should be provided.

An as-built site plan showing the surface location of oil and gas structures, stored topsoil and subsoil, and any surface drainage features must be available for company field staff, site contractors, landowner, and OGC staff. The as-built site plan must be updated as oil and gas activity amendments occur and changes are made to surface soils. The as-built plan or clean-up report required under OGAA approvals can be used. The intent is that the location of stored topsoil and subsoil, and water management features are readily known so disturbance is minimized.

4. RECLAMATION PLAN

The primary goal of reclamation is to ensure that surface soil, topography, and vegetation of the operating area is restored to an equivalent condition as predevelopment when the site is no longer required for the oil and gas activity or ancillary activity. Specific criteria for reclamation of Identified ALR Lands are outlined in Schedule B.

Provide a brief preliminary reclamation plan for the proposed oil and gas activity based on planned oil and gas developments and the site assessment. Include the following elements in the plan:

- post oil and gas activity land-use objective
- Soil handling
- Re-vegetation

For pipelines this would be considered the final reclamation plan because surface restoration occurs as a continuum during pipeline construction and installation.

5. SIGNATURE

The Schedule A report must be signed by a Qualified Specialist (or specialists if more than one).

SIGNED THIS 8TH DAY OF DECEMBER, 2017

PROVINCIAL AGRICULTURAL LAND COMMISSION,
as represented by: Frank Leonard, Chair

A handwritten signature in black ink, appearing to read "Frank Leonard", is written over a horizontal line.

I have authority to sign this Schedule A on behalf of the
Provincial Agricultural Land Commission

OIL AND GAS COMMISSION,
as represented by: Paul Jeakins, Commissioner

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I have authority to sign this Schedule A on behalf of the Oil
and Gas Commission

SCHEDULE B

SITE RECLAMATION REQUIREMENTS

THIS SCHEDULE B is made as of this 8th day of December 2017 *and cancels and replaces the SCHEDULE B entered into between the ALC and the OGC dated June 13, 2013.*

All sites developed after 1995 must meet the following criteria unless the Qualified Specialist completing the report concludes that there is appropriate rationale for not fully applying them to an individual site or portion of a site as outlined below. Sites developed prior to 1995 must also submit a Schedule B report containing the same information but will not be as rigorously reviewed.

The purpose of the following requirements is to ensure that the soil, topography, and vegetation of surface leases and pipelines are restored to an equivalent condition and capability after wells have been decommissioned and pipelines have been installed. Surface lease means all leases, easements, and rights-of-way that may be required for a well site, access road, pipeline, camp, workspace, sump, borrow pit and/or any other area related to oil and gas production. The requirements do not address site contamination and the disposal of wastes as these matters fall under other legislation and/or government agencies.

These reclamation requirements are intended to provide the flexibility to respond to practical realities of differing site characteristics and soils. There is room for interpretation of the Schedule B assessment criteria based on site specific issues and the professional judgement of the Qualified Specialist hired to carry out the assessment. Schedule A Reports will be used as part of this review process as a baseline for pre-development information.

Schedule B Report Required

A Schedule B Report must be submitted according to the timelines specified in 4.3.4 or 6.3.4 of the Delegation Agreement. The obligation to submit a Schedule B report will not be considered met until all required reclamation on the site is declared complete. Satisfying this requirement will require the submission of multiple reports if all areas requiring reclamation cannot be declared in the initial report. Reporting requirements vary depending on whether or not reclamation on the site or a portion of the site is being declared as met. Where only a portion of the site is being declared as reclamation complete, reporting on both the reclamation complete areas and those areas where reclamation is not complete can be combined in the same report provided the information requirements applicable to each are met. For areas where reclamation is not declared complete, future reports will only need to address the undeclared area and not the entire site.

Required Content of a Schedule B Report

A. For Areas Where Reclamation is Not Being Declared Complete

If through a visual analysis or more detailed assessment it is determined that reclamation has not been achieved on the site or a portion of the site, the following information must be provided. If more detailed information on the area(s) has been collected, it can be submitted in the report at the discretion of the Qualified Specialist preparing the report:

1. Site Information:

- well name/legal and well site approval number or pipeline location (well to well)
- date of construction
- petroleum company name contact information
- location and legal description of property(s)
- name and contact information of surface landowner or specify if Crown land
- date of reclamation
- date of site inspection
- name and address of person conducting the site assessment
- An area summary identifying:
 - a. the total area of the site where reclamation has been declared complete
 - b. the total area of the site where reclamation has not been declared complete
 - c. the total area of the site where reclamation is not required
 - d. The total area of the site
- A map showing the site and the location of each of the areas specified in a to c above

2. Assessment of Failure to Achieve Reclamation:

Provide a brief assessment of the reasons why reclamation was not achieved on the area identified.

3. Remedial Reclamation Plan:

Provide a plan to complete reclamation for any areas where reclamation was not identified as complete. The Plan must identify specific planned actions and associated timelines, designed to ensure reclamation is completed expeditiously.

B. For Areas Where Reclamation Is Being Declared Complete

1. Site Information:

- well name/legal and well site approval number or pipeline location (well to well)
- date of construction
- petroleum company name contact information
- location and legal description of property(s)
- name and contact information of surface landowner or specify if Crown land
- date of reclamation
- date of site inspection
- name and address of person conducting the site assessment
- An area summary identifying:
 - a. the area of the site where reclamation has been declared complete in the report
 - b. the total area of the site where reclamation has declared complete in previous reports, including the date of that previous report, if any
 - c. the total area of the site where reclamation is not required
 - d. The total area of the site
- A map showing the site and the location of the areas being declared complete in the report and any areas of the site where reclamation is not required.

2. Soil Assessment:

- a) A visual analysis of each soil test pit must include the following information:
 - Sample number
 - Surface soil depth
 - Soil disturbance (admixing 0-10%, 10-20%, 20-30%, 30-40%, 40-50% and >50%);
 - Texture
 - Coarse fragment content (% of volume)
 - Colour
 - Consistence
 - Structure
- b) A map showing test pit and control sample locations.
- c) Summary of assessment results conformance to the Soil Reclamation Standards

3. Topographic Assessment:

Summary of site's conformance to the Topographic Reclamation Standards.

4. Revegetation Assessment

Summary of site's conformance to the Vegetation Reclamation Standards.

5. Photographs:

Photographs must be taken which show the condition of the surface lease, associated developments and pipelines after reclamation. Each photograph should have noted with it the location, direction and any comments.

6. Overall Summary:

A short summary statement suggesting a pass or fail, comments on where criteria have not been met and if this will have a negative impact on the use of the land for agriculture and/or what should be done to remedy the problem areas. Any landowner/occupant comments or requests should be noted.

Schedule B Assessment Procedures and Reclamation Standards

Definition of Surface Soil:

For the purposes of Schedule B, surface soil means the soil that has been salvaged, amended, and replaced onto the surface lease.

Soil Test Pits and Sampling Procedures:

Soil test pits must penetrate 20 cm below the surface soil, or to a maximum depth of 50 cm.

a. Well Sites, camps, borrow pits, facility sites

Soil test pits are not required for portions of the surface lease where soil disturbance has not occurred. Disturbance includes, but is not limited to, stripping, rutting, trenching, compaction, and erosion.

The quantity and quality of the replaced surface soil on a surface lease must be assessed using a minimum of 100 metre x 100 metre survey or a minimum of five (5) soil test pits; more may be necessary based on site conditions. The edges of the grid should correspond to the boundaries of the surface lease, and grid should be adjusted to evenly cover the entire lease. A soil test pit must be advanced from the middle of each 100 m X 100 m grid in the surface lease.

Where a Schedule A Assessment is not available for reference, a minimum of four (4) control soil test pits must be taken from adjacent undisturbed ground; one each from the center point of each side of the surface lease.

b. Access Roads and Pipelines

The quantity and quality of replaced surface soil must be assessed at 250 m intervals for roads and pipelines > 250 m in length. A minimum of two (2) soil test pit locations are required for roads and pipelines less than 250 m in length (one at the terminus and one at the midpoint). This is the minimum number of soil test pits; more may be necessary based on site conditions.

Two soil test pits are required for each location. One test pit must be advanced at the centerline of the access road or advanced from the disturbed ground over a pipeline. The second test pit must be advanced in the undisturbed ground a minimum of 10 m outside the boundary of the surface lease.

Soil Reclamation Standards:

The following minimum reclamation standards must be met:

a. Depth of Surface Soil

Well sites, camps, borrow pits, facility sites

- the required replacement depth (RRD) of surface soil is 80% of the depth of the average A horizon on the adjacent undisturbed ground.
- the average replacement depth (ARD) is the average depth of all the surface soil samples. The ARD must be equivalent to or greater than the RRD.
- the minimum replacement depth (MRD) is 80% of the RRD. All surface soil samples must be 2: the MRD, except for surface leases which were originally covered by native trees or shrubs or where the average A horizon depth on the undisturbed ground is <10 cm,
 - Sites which were covered by trees or shrubs may have three surface soil samples, which are not adjacent, that are $\geq 40\%$ of the RRD.
 - The MRD requirement does not apply where the average A horizon depth on the undisturbed ground is <10 cm, but the available surface soil must be replaced as evenly as possible across the entire surface lease.

Access Roads and Pipelines

- the RRD of surface soil is 80% of the adjacent control.
- the ARD must be equivalent or greater than the RRD
- the MRD does not apply to linear disturbances, however the expectation is that topsoil would be evenly disturbed

b. Mixing of Soil Horizons

- the average admixing of the assessed surface soil samples must not be greater than 30%. That is, the average of the assessed surface soil must be composed of less than 30% of non-surface soil (B horizon).

c. Soil Structure

- the average bulk density of the subsoil of the disturbed ground location must not be more than 120% of the average bulk density of the subsoil of the undisturbed ground.

d. Stoniness/Coarse Fragment Content

- the coarse fragment content of the surface soils must be less than or equivalent to pre-disturbance/adjacent conditions.

e. Topographic Reclamation Standards

- The topography of the surface lease must be restored to its original or better condition. The reclamation of the surface lease is to be assessed by comparing the reclaimed site, as a whole, with adjacent undisturbed ground. The following requirements must be met:

Criteria:	Requirement:
Drainage	▪ Surface drainage must be consistent with the original natural drainage patterns, directions, and capacity, or be compatible with the surrounding landscape. ▪ Facilities and structures left in place must not impede natural surface drainage and water flow.
Erosion	▪ The frequency and extent of erosion features must be similar to adjacent undisturbed land.
Contour	▪ The contour of the surface lease must conform to adjacent land or be consistent with present or intended land uses.
Stability	▪ No visible evidence of slope movement, slumping, subsidence, or tension cracks are allowed.

Gravel and Rocks	May not be piled, windrowed, or concentrated in one area unless it improves the agricultural capability of the surface lease.
Debris	- No industrial or domestic debris is allowed. - No large wood debris that could be removed with a brush rake is allowed for cultivated land, unless permitted in writing by the landowner.

Vegetation Reclamation Standards:

Reclamation of a surface lease includes restoring vegetation by either replanting native vegetation or applying a suitable seed mixture. Preventing soil erosion, and preventing an increase in the distribution of weeds, should be the main criteria when choosing a seed mixture.

The reclamation of the surface lease is to be assessed by visually comparing the reclaimed site, as a whole, with adjacent undisturbed ground. The following requirements must be met within 24 months of applying the seed mixture or introducing vegetation:

Criteria:	Requirement:
Species	- Seed mixtures must not increase the frequency or distribution of any weed species on the surface lease or on adjacent undisturbed ground. - Seed mixtures must include species that are adapted to the climate and soil conditions of the Peace River region of British Columbia. (contact your local Ministry of Agriculture office if you require information or assistance) - Native species must be similar to vegetation which would occur naturally on the undisturbed ground.
Density	≥80% of the density on adjacent undisturbed ground. This criteria only applies to cultivated land
Height	≥80% of height on adjacent undisturbed ground. This criteria only applies to cultivated land
Health	Plants should be healthy based on a visual inspection of their vigour, height, and colour.
Cover	- The vegetation must cover ≥80% of the soil surface. - Vegetation on the reclaimed site must be evenly distributed, or be similar to the distribution on the undisturbed ground.

Signature:

The Schedule B report must be signed by a Qualified Specialist (or specialists if more than one).

SIGNED THIS 8TH DAY OF DECEMBER, 2017

PROVINCIAL AGRICULTURAL LAND COMMISSION,

as represented by: Frank Leonard, Chair


A handwritten signature in black ink, appearing to read "Frank Leonard", is written over a horizontal line.

I have authority to sign this Schedule B on behalf of the
Provincial Agricultural Land Commission

OIL AND GAS COMMISSION,

as represented by: Paul Jeakins, Commissioner


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I have authority to sign this Schedule B on behalf of the Oil
and Gas Commission