

Industry Tip

New Oil and Gas Tenure Registry Regulations Now in Effect

Date	Module/Application/Functionality	Notes
November 1, 2016	Petroleum Tenure	Initial release

The Oil and Gas Tenure Registry Regulations (OGTRR) came into effect on October 27, 2016.

The OGTRR implements the Crown Minerals Electronic Registry for oil and gas tenure in Saskatchewan and replaces four tenure regulations:

- *The Petroleum and Natural Gas Regulations, 1969*
- *The Helium and Associated Gases Regulations, 1964*
- *The Oil Shale Regulations, 1964*; and
- *The Lease of Spaces Regulations.*

Highlights of the OGTRR

Find a copy of the OGTRR, as well as a side-by-side comparison of the new regulations to the former regulations, [here](#).

Overall, the OGTRR:

- replaces four tenure regulations with a single tenure regulation;
- introduces no-charge industry self-service for administrative transactions in IRIS;
- replaces over 20 service fees with a \$600 one-time application fee;
- addresses stranded substances by providing disposition owners with the option to negotiate the stranded substance (e.g. petroleum-only lessee can now negotiate for undisposed natural gas rights);
- provides regulation to manage defunct companies;
- improves grouping options for special exploratory permit owners;
- increases helium and associated gases lease rental rates to \$3.50 per hectare from the 1964 rate of \$0.50 per acre (\$1.42/hectare);
- sets the start of the term for a helium and associated gases permit to the date of issue for consistency with other permits;
- sets the minimum rental fee at \$50 per disposition to reduce administration for industry and the ministry;

- defines “mining operations” to accommodate surface mining for oil sands or oil shale and amend the definition of oil sands and oil shale products to include all minerals and substances that may be recovered when processing oil shale or oil sands;
- prescribes payment by pre-authorized debit (PAD) only;
- provides Minister with discretion to approve any area as a ‘special exploration area’ for special exploratory permits;
- provides ministerial discretion in regards to the length of extensions to accommodate situations where a delay beyond the control of the disposition owner occurs during the winter drilling period, but the end of the term occurs during break-up;
- adds ‘consultation’ as a reason for extensions to ensure disposition owners are not penalized for meeting their obligations in regards to the duty to consult where surface activities are contemplated;
- clarifies that wells drilled to meet offsets must produce in a manner satisfactory to the minister if they are capable of commercial production;
- clarifies pooling and royalties payable; no longer require addendum agreements as the Minister now assigns the royalty allocation; and
- transfers the legal representation of a disposition from a paper disposition to the electronic entity in IRIS.

Availability of Regulations

The OGTRR (RRS C-50.2 Reg 31 OC 479/2016) were filed with the Register of Regulations on October 27, 2016. They will be posted Saskatchewan’s Queen’s Printer within the next few weeks. An alert will be provided on www.saskatchewan.ca/IRIS when they become available.

Questions?

If you have any questions or concerns, contact the Oil and Gas Tenure Service Desk (also known as Petroleum Tenure Services) at 1-844-787-8695 or petlands@gov.sk.ca.