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Geothermal Resources Act

Geothermal Resources Administrative Regulation

[includes amendments up to B.C. Reg. 295/2006, November 13, 2006]

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Interpretation

1 In this regulation:

"Act" means the Geothermal Resources Act;

"director" means the Director of Petroleum Lands.

[am. B.C. Reg. 259/2004, s. 1.]

Test hole program authorizations

2 (1) An application for a test hole program authorization shall be submitted to the division together with the fee shown in Schedule 1.

(2) An application for a test hole program authorization shall set out the following:

(a) Repealed. [B.C. Reg. 259/2004, s. 2.]

(b) the area in which the test hole program is to be carried out;

(c) the average depth of the test holes in the proposed program;

(d) the method of abandoning the test holes.

(3) Repealed. [B.C. Reg. 259/2004, s. 2.]

[am. B.C. Reg. 259/2004, s. 2.]

Repealed

3 Repealed. [B.C. Reg 377/2003.]

Well authorizations

4 (1) An application for a well authorization shall be submitted to the division together with the fee shown in Schedule 1.

(2) An application for a well authorization shall set out the following:

(a) the name proposed for the well;

(b) whether the position of the well site is on Crown or alienated land and the names of the surface owner and occupant;

(c) such other information as the division may require.

(3) An application for a well authorization shall be accompanied by an original plan

(a) prepared by a British Columbia Land Surveyor,

(b) bearing the statement of the surveyor, in the form approved under the Land Title Act, verifying the correctness of the survey and plan.

(c) Repealed. [B.C. Reg. 259/2004, s. 3.]

(3.1) If the application for well authorization is not submitted to the division by an electronic plan within the meaning of, and as contemplated by, Part 7.2 of the Land Act,

(a) the original plan accompanying the application must be on film with a matte finish, and

(b) the application must be accompanied by 2 paper prints of the site of the well to be drilled.

(4) Each well referred to on a plan must be described on the plan by use of the Petroleum and Natural Gas Grid.

(5) Repealed. [B.C. Reg. 259/2004, s. 3.]

(6) A survey plan prepared under this section shall conform with the requirements in Schedule 2.

(7) Notwithstanding subsection (3) where a plan is not yet available, an officer of the division may allow the drilling of a well to commence provided that a preliminary survey consisting of aerial photography or other methods which adequately identify the well position within a particular quarter unit has been made by a British Columbia Land Surveyor or other engineer or surveyor satisfactory to the Surveyor General and is submitted with the application.

(8) Repealed. [B.C. Reg. 259/2004, s. 3.]

(9) Where a person who was not entitled under section 13 of the Act to receive a well authorization obtains one, an officer of the ministry may revoke it and, where there is evidence of misrepresentation at the time of application, the division head may order the person to complete or abandon the well or suspend operations.

(10) On examination and acceptance of a plan, the Surveyor General must indicate by notation on the plan that it has been approved.

[am. B.C. Regs. 259/2004, s. 3; 17/2005, Sch. 3, s. 2; 295/2006, s. 2.]

Amendments to well authorizations

5 Where a person wishes to change a program of drilling operations, he shall submit an application to amend the well authorization and shall obtain written approval of the change from an officer of the division.

Suspension or revocation

6 (1) Where a person has contravened the Act, regulations or an order made under the Act or regulations with respect to a test hole program authorization or well authorization issued, the division head may declare in writing that the test hole program authorization or well authorization

(a) is suspended

(i) for a period stated in the declaration, or

(ii) until such time as he lifts the suspension, or

(b) is revoked.

(2) A suspension or revocation under this section is effective when the declaration is served on the licensee.

(3) A declaration may be served by

(a) sending it by registered mail addressed to the licensee at his address as shown in the records of the division head, or

(b) serving it personally on the licensee.

[am. B.C. Reg. 259/2004, s. 4.]

Well register

7 The division head shall keep a record of

(a) each test hole program authorization and well authorization issued, and

(b) each well drilled.

[am. B.C. Reg. 259/2004, s. 5.]

Drilling deposits

8 (1) The amount to be deposited with the minister pursuant to section 12 (4) of the Act shall be as follows:

(a) for a well authorization, \$7 500, or such lesser amount as the division head considers acceptable, for each well to be drilled;

(b) for a test hole program authorization, \$2 500, or such lesser amount as the division head considers acceptable, for each test hole.

(2) Notwithstanding subsection (1), where the same operator applies to drill

(a) more than 4 wells the division head may set the total deposit required at \$30 000 or such lesser amount as he considers acceptable, or

(b) more than 4 test holes the division head may set the total deposit required at \$10 000 or such lesser amount as he considers acceptable.

(3) Where a well or test hole is abandoned and the operator restores the site to the satisfaction of the division head, the division head may issue a certificate of restoration and may recommend the refund of all or part of the deposit.

Permits

9 (1) The fee for the issue or renewal of a permit is \$500.

(2) The yearly rent for a permit is

(a) for each of the first, second and third years, \$1/ha,

(b) for each of the fourth and fifth years, \$2/ha,

(c) for each of the sixth and seventh years, \$4/ha, and

(d) for the eighth year, \$5/ha.

(3) The value of the geothermal exploration on a location required under section 7 (1) of the Act is

(a) in the first year, \$5/ha,

(b) in the second year, \$7.50/ha,

(c) in the third year, \$10/ha,

(d) in the fourth year, \$12/ha,

(e) in the fifth year, \$14/ha,

(f) in the sixth year, \$17/ha,

(g) in the seventh year, \$20/ha, and

(h) in the eighth year, \$25/ha.

(4) The director may approve a program of geothermal exploration, other than the drilling of a well, to be carried out by a permittee on land for which a permit has not been issued and the permittee may, with the approval of the director, elect to attribute the work to a location that he holds, in which case the work shall be deemed to have been done on that location.

[am. B.C. Reg. 259/2004, s. 6.]

Multiple locations

10 (1) Where a person

(a) holds permits for several locations each of which has a common boundary with one of the others, and

(b) has during any year done on one or more of the locations work to a value greater than is required by section 9,

he may apply to the director to apportion the excess value among the other locations and, if the director approves, work to that value shall be deemed to have been done on them in that year.

(2) Repealed. [B.C. Reg. 259/2004, s. 7.]

[am. B.C. Reg. 259/2004, s. 7.]

Excess work

11 Where

(a) a permittee has, in any year, done and recorded more work on a location than is required under section 9,

(b) the permittee has not applied, under section 10, to attribute the value of the excess work to other locations or, after apportionment under section 10, there is still excess work, and

(c) details of expenditure for the work have been included in an affidavit filed under section 12 (1),

the excess work shall be deemed to have been done in the 2 years immediately following the year in which it was done.

Renewal of permit

12 (1) The director shall not renew a permit unless

(a) the application is accompanied by the renewal fee and the rent for the permit for the next year,

(b) he receives the application

(i) before the expiry of the permit, or

(ii) not more than 2 months after the anniversary of the issue or renewal and it is accompanied by the penalty fixed by subsection (2), and

(c) the application is accompanied by one of the following:

(i) an affidavit of expenditure of work done that has as exhibits a report and a map displaying the detailed factual data obtained from the geothermal exploration, detailed logs, well history reports and other information the division head requires on all exploratory work referred to in the affidavit;

(ii) an affidavit of estimated expenditure made for work done under the permit with an undertaking satisfactory to the director to file with him, within the time he fixes, the documents that would otherwise have been exhibits under subparagraph (i);

(iii) a payment of money in lieu of the work as required by the Act.

(2) Where a permit is not renewed or converted to a lease before it expires, it shall not be renewed or converted except on payment of a penalty of

(a) \$100 if the application is received by the director not more than 10 days, or

(b) \$500 if the application is received by the director more than 10 days

after the anniversary of the issue or renewal.

[am. B.C. Reg. 259/2004, s. 8.]

Leases

13 (1) The fee for the issue or renewal of a lease is \$200.

(2) The yearly rent for a lease is \$10/ha.

Development of a geothermal resource

14 (1) The minister may, on application by an operator, approve a program to develop a geothermal resource.

(2) An application shall include

(a) Repealed. [B.C. Reg. 259/2004, s. 9.]

(b) an assessment of hydrological, geothermal and geological conditions in the reservoir,

(c) number and location of geothermal wells required for adequate development, and

(d) Repealed. [B.C. Reg. 259/2004, s. 9.]

(e) any other information requested by the minister.

[am. B.C. Reg. 259/2004, s. 9.]

Production of a geothermal resource

15 (1) The minister may, on application by an operator, approve a program to produce a geothermal resource.

(2) An application shall include

- (a) an estimate of the volume of the geothermal resource to be produced with the hydrological, geothermal and geological conditions in the reservoir that have been determined,
- (b) the location of each well to be produced and the proposed rate of production for each well,
- (c) a description of the production facilities that will be used and the proposed disposition of the resource,
- (d) a plan for the protection of the environment, and
- (e) any other information requested by the minister.

(3) No operator shall commence production from a geothermal well until a program to produce the geothermal resource has been approved.

Miscellaneous fees

16 The fees listed in Schedule 3 shall be paid to the Minister of Finance for the matters indicated.

Schedule 1

[am. B.C. Reg. 377/2003.]

The following fees shall be paid to the Minister of Finance under this regulation:

Application for a test hole program authorization....	\$20.00
Application for a well authorization.....	75.00

Schedule 2

[am. B.C. Reg. 259/2004, s. 10.]

The plan required under section 4 (3) shall include the following data:

- (a) the survey relationship of the well position to the nearest corner of the legal subdivision or quarter unit in which the well is positioned;
- (b) the latitude and longitude of the well position;
- (c) the ground elevation of the well position in metres above sea level derived from a datum acceptable to the Surveyor General;
- (d) to (m) Repealed. [B.C. Reg. 259/2004, s. 10 (b).]
- (1) to (3) Repealed. [B.C. Reg. 259/2004, s. 10 (c).]

Schedule 3

Miscellaneous fees

For recording a transfer, assignment, agreement or other instrument affecting title to a location, \$50 for each title location affected;

For recording a change of name or amalgamation certificate, \$10 for each title affected;

For recording or cancelling an assignment under the Bank Act (Canada), \$10 for each title affected;

For recording, amending or cancelling a notice to group, pooling agreement or mutual boundary agreement, \$25 for each title affected;

For recording or cancelling any instrument or document not referred to above, \$10 for each title affected;

For the preparation and issuance of a title search letter, \$5;

For the visual examination of records, or the provision of any other service for which no fee is prescribed, \$25 per hour;

For a copy of or extract from a record, 75¢ per page;

For certifying a copy of or extract from a record, \$2 for the first page and 25¢ for each additional page.

[Provisions of the Geothermal Resources Act, R.S.B.C. 1996, c. 171, relevant to the enactment of this regulation: section 24]

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