



BRITISH
COLUMBIA

Ministry of Energy and Mines

BC's Offshore Petroleum Recent Developments

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**GENERALIZED MAP OF SEDIMENTARY
BASINS, OFFSHORE B.C.**

(all basin boundaries approximate)

- offshore oil/gas exploration wells (drilled in 1960s)





The First Explorers

- **Shell Canada**
 - 1963 to 1968 **32, 300 km Seismic**
 - 1967 to 1969 **14 Wells**
- **Chevron Canada**
 - 1971 and 1972 **6, 225 km Seismic**
 - Proposed to Drill Two Wells
- **Other Tenure Holders**
 - Petro Canada
 - Exxon Mobil
 - Canadian Forest Oil

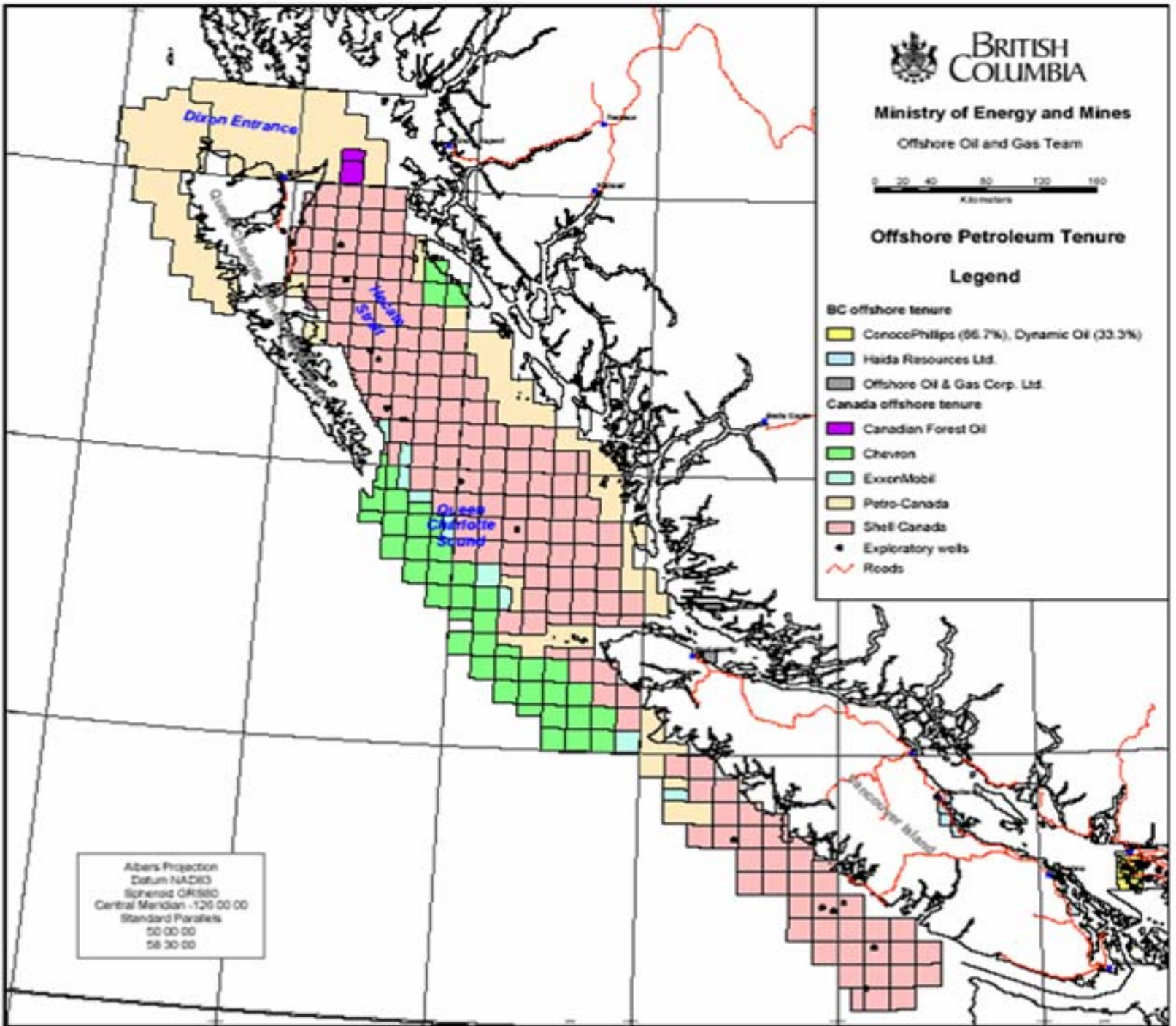


Offshore Petroleum Tenure

Legend

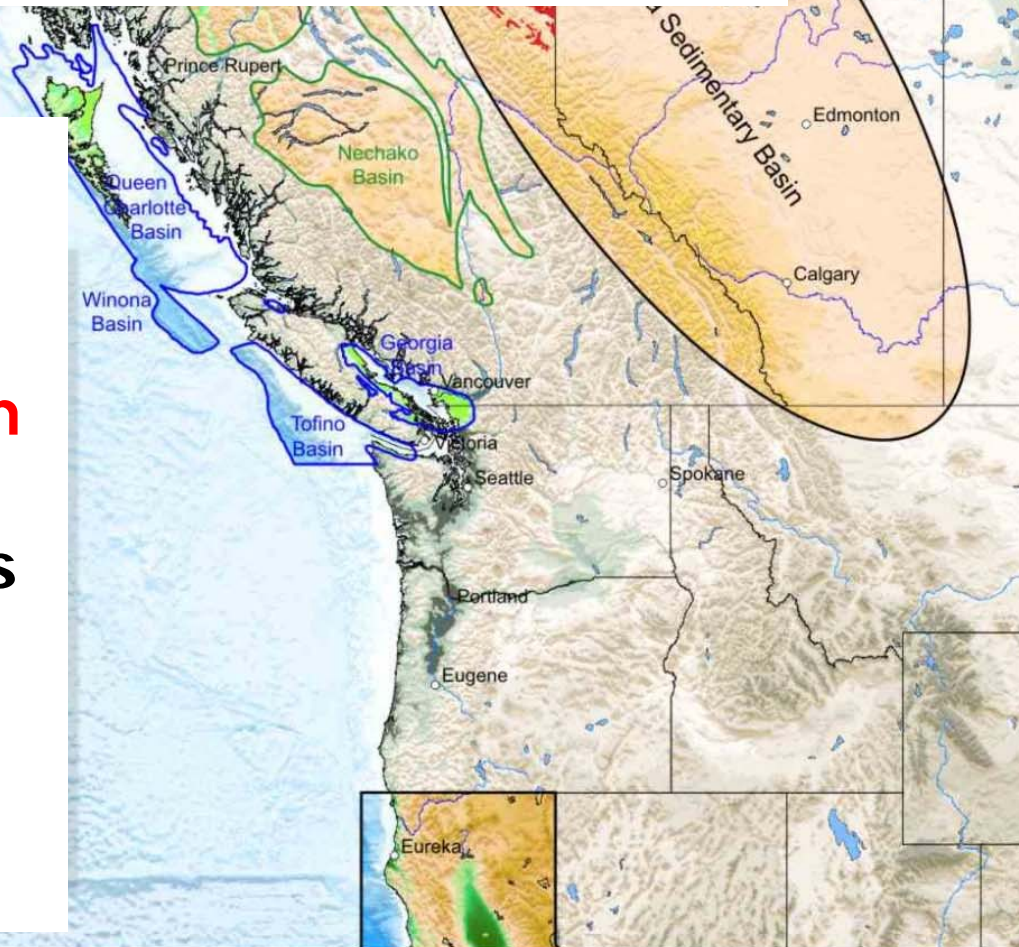
- BC offshore tenure
- ConocoPhillips (86.7%), Dynamic Oil (33.3%)
 - Haida Resources Ltd.
 - Offshore Oil & Gas Corp. Ltd.
- Canada offshore tenure
- Canadian Forest Oil
 - Chevron
 - ExxonMobil
 - Petro-Canada
 - Shell Canada
- Exploratory wells
 - ~ Roads

Albers Projection
Datum NAD83
Spheroid GRS80
Central Meridian -120 00 00
Standard Parallels
50 00 00
58 30 00



Alaskan Oil Shipments and the Federal Moratorium

- 1971 BC Legislature Passes Resolution Opposing Tanker Traffic
- **1972 Federal Moratorium** Imposed to prevent Alaskan Crude Oil Tankers Traveling Through Dixon Entrance, Hecate Strait, and Queen Charlotte Sound





Lifting the Moratorium – First Attempt

- **1984 - 1986 Independent Federal-Provincial Review Panel to Assess Effects of Offshore Oil and Gas Exploration**
 - Proponents: Chevron Canada
Petro - Canada inc. (Later Withdrew)
 - **Concluded Exploration Could Proceed if 92 Recommendations met**
- **1986 - 1989 BC & Canada Negotiations on Management & Jurisdiction of Offshore Oil & Gas**
 - Draft Pacific Accord



Spills and the Provincial Moratorium

- 1989 Exxon Valdez
- 1989 Nestucca Barge
- **1989 Provincial Moratorium Imposed**
 - No Drilling for at Least Five Years
- **1989 Canada Announces it will not Consider Offshore Development until Requested by BC**



New Geology, Improved Resources

- **1987-1990 GSC's Frontier Geosciences Program**
 - 1200km seismic
- **1998 GSC Revised Petroleum Resource Assessment of West Coast Basins (OF)**
 - 9.8 BBL Oil
 - 43.4 TCF Gas (25.9 TCF gas in place in QCB)
- **2001 GSC Bulletin 564**
 - Hannigan, Dietrich, Lee, Osadetz



Lifting the Moratorium

– Second Attempt

Chapter 6

BC	Canada
<p>2001 Technology Review (Jacques Whitford report)</p> <p>2002 Scientific Panel (Strong Report)</p> <p>2002 MLA Task Force Public Hearings</p> <p>BC Requested Canada to Consider Lifting the Moratorium</p>	
<p>2003 Offshore Team Created</p>	<p>2003 RSC Science Panel Report (Hall Report, 2004)</p> <p>2004 Public Review (Priddle) –Views of Public –Examine Environmental + Socio Economic Impacts</p> <p>2004 First Nations Engagement (Brooks)</p>



Lifting the Moratorium

– Second Attempt

Chapter 6

BC	Canada
<p>2001 Technology Review (Jacques Whitford report)</p> <p>2002 Scientific Panel (Strong Report)</p> <p>2002 MLA Task Force Public Hearings</p> <p>BC Requested Canada to Consider Lifting the Moratorium</p>	<p>• Provided an adequate regulatory regime is in place, there are no science gaps that need to be filled before lifting the moratoria on oil and gas development</p> <p>• The present restriction on tanker traffic ... should be maintained for the time being</p>
<p>2003 Offshore Team Created</p>	<p>2003 RSC Science Panel Report (Hall Report, 2004)</p> <p>2004 Public Review (Priddle Panel) –Views of Public –Examine Environmental & Socio Economic Impacts</p> <p>2004 First Nations Engagement (Brooks)</p>



The Future

- **Federal Government Decision on Moratorium**
- **Provincial Approach**
 - Management and Regulatory Regime
 - Regulatory Agency
 - Tenure Regime
 - Environmental Assessment
 - Fiscal Regime
 - First Nations
 - Coastal Communities/Local Benefits



The Future – Provincial Approach

- **Management and Regulatory Regime**
 - Jurisdiction and Ownership set Aside
 - Single Regime

- **Environmental Assessment**
 - “No Go” and Conditional areas identified early
 - BC and Canada recently signed an MOU on Implementation of Canada’s Ocean Strategy on Pacific Coast



The Future – Provincial Approach

- **First Nations**

- Provincial Government Must Meet its Obligations to First Nations:
 - Share of Benefits
 - Role in Decision Making

- **Coastal Communities/Local Benefits**

- Government must consider views of coastal residents
- Support Development of marine industries (Including Ocean Energy)