

# *The Oil and Gas Conservation Act*

*being*

Chapter O-2 of *The Revised Statutes of Saskatchewan, 1978* (effective February 26, 1979) as amended by the *Statutes of Saskatchewan*, 1982-83, c.1; 1983, c.54; 1988-89, c.31; [1989-90, c.54](#); [1990-91, c.39](#); [1993, c.35](#); [1998, c.30](#); [2000, c.50](#); [2001, c.26](#); [2003, c.29](#); and [2007, c.7](#).

## **NOTE:**

**This consolidation is not official. Amendments have been incorporated for convenience of reference and the original statutes and regulations should be consulted for all purposes of interpretation and application of the law. In order to preserve the integrity of the original statutes and regulations, errors that may have appeared are reproduced in this consolidation.**

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## CHAPTER O-2

### An Act to provide for the Conservation of Oil and Gas Resources

#### SHORT TITLE

##### Short title

1 This Act may be cited as *The Oil and Gas Conservation Act*.

#### INTERPRETATION

##### Interpretation

2(1) In this Act:

- (a) **Repealed.** 1990-91, c.39, s.3.
- (a.1) **“board”** means the Oil and Gas Conservation Board established pursuant to section 7;
- (b) **“department”** means the department over which the minister presides;
- (c) **Repealed.** 1990-91, c.39, s.3.
- (d) **“drainage unit”** means the area allocated to one or more wells for the purpose of drilling for and producing oil or gas, and includes subsurface areas bounded by the vertical planes in which the surface boundaries lie;
- (e) **“field”** means the general area underlaid by one or more pools;
- (e.1) **“fund advisory committee”** means the fund advisory committee established pursuant to section 20.92;
- (f) **“illegal gas”** means gas produced from any well in the province in violation of this Act or any regulation or order made under the authority thereof;
- (g) **“illegal oil”** means oil produced from any well in the province in violation of this Act or any regulation or order made under the authority thereof;
- (h) **“illegal product”** means a commodity derived in whole or in part from illegal oil or illegal gas;
- (h.1) **“licence”** means a licence issued pursuant to section 9 or 14;
- (h.2) **“licensee”** means a person who holds a licence;
- (i) **Repealed.** 1990-91, c.39, s.3.
- (j) **“minister”** means the member of the Executive Council to whom for the time being the administration of this Act is assigned;

(j.1) **“non-oil-and-gas waste”** means physical waste prescribed for the purposes of this clause from industries other than the oil and gas industry;

(j.2) **“oil and gas waste”** means physical waste as that term is ordinarily understood in relation to the activities of the oil and gas industry, but does not include physical waste prescribed for the purposes of this clause;

(j.3) **“orphan fund”** means the Oil and Gas Orphan Fund continued pursuant to section 20.91;

(k) **“owner”** means a person who has the right to drill into a pool and produce therefrom oil or gas and to appropriate the oil or gas he produces either to himself or others or to himself and others;

(l) **“pool”** means:

(i) an underground reservoir that:

(A) contains or appears to contain an accumulation of oil or gas; and

(B) is separated or appears to be separated from any other reservoir or accumulation in the general structure;

(ii) a portion of an underground reservoir described in subclause (i) that is determined by the minister to be a pool for reasons of development or administration; or

(iii) a group of underground reservoirs described in subclause (i) that is determined by the minister to be a pool for reasons of development or administration;

(l.1) **“prescribed”** means prescribed in the regulations;

(m) **“producer”** means the owner of a well that is capable of producing oil or gas;

(n) **“product”** means a commodity made from oil or gas and includes refined crude oil, crude tops, topped crude, processed crude, processed crude oil, residue from crude oil, cracking stock, uncracked fuel oil, fuel oil, treated crude oil, residuum, gas oil, casinghead gasoline, natural-gas gasoline, lubricating oil, blends or mixtures of oil with one or more liquid products or by-products derived from oil or gas and blends or mixtures of two or more liquid products or by-products derived from oil or gas, whether or not mentioned herein;

(n.1) **“site”** means, when used in relation to a well, structure test hole, oil shale core hole, upstream facility or any other oil or gas facility, the site of the well, structure test hole, oil shale core hole, upstream facility or other oil or gas facility and the area immediately adjacent to that site;

(n.2) “**upstream facility**” means:

- (i) a multi-well battery;
- (ii) a satellite;
- (iii) a gas processing plant;
- (iv) a gas compressor facility that is part of the production operations of a gas well or group of gas wells; or
- (v) any other facility designated in the regulations as an upstream facility;

but does not include any facility designated in the regulations as not being an upstream facility;

(o) **Repealed.** 1990-91, c.39, s.3.

(p) “**waste**” means:

- (i) oil and gas waste;
- (ii) the inefficient, excessive or improper use of, or the dissipation of, reservoir energy;
- (iii) the locating, spacing, drilling, equipping or operating of or producing from a well in a manner that causes, or is likely to cause, reduction in the quantity of oil or gas ultimately recoverable from a pool under prudent and proper operations and practices, or unnecessary or excessive surface loss of oil or gas;
- (iv) the inefficient or improper storage of oil or gas.

(2) For the purposes of this Act, in the expressions “**oil and gas**” and “**oil or gas**” the word “**and**” includes “**or**” and the word “**or**” includes “**and**”.

R.S.S. 1965, c.360, s.2; R.S.S. 1978, c.O-2, s.2;  
1982-83, c.1, s.6; 1983, c.54, s.3; 1988-89, c.31,  
s.3; 1990-91, c.39, s.3; 2001, c.26, s.3; 2007, c.7,  
s.3.

## PURPOSE AND APPLICATION OF ACT

### Purpose of Act

3(1) The purposes of this Act are:

- (a) to prevent waste;
- (b) to regulate all operations for the production of oil and gas in such manner that the greatest possible ultimate recovery thereof by prudent and proper operations and practices may be realized;
- (c) to allow each owner the opportunity of obtaining that owner’s share of the oil or gas from a pool;

- (d) **Repealed.** 1990-91, c.39, s.4.
- (e) to develop, process, utilize, protect and conserve the oil and gas resources of Saskatchewan; and
- (f) to protect the environment with respect to operations of the oil and gas industry.
- (2) Nothing in subsection (1) requires the minister to ensure that each owner receives the owner's precise share of the oil or gas from any pool.
- (3) The minister may determine when the public interest requires that one purpose set out in subsection (1) be given priority over another.

1973-74, c.72, s.38; R.S.S. 1978, c.O-2, s.3;  
1988-89, c.31, s.4; 1990-91, c.39, s.4.

**Crown bound**

- 4 The Crown in right of Saskatchewan is bound by this Act.

1988-89, c.31, s.5.

**PART I**  
**Administration**

**Administration by department**

- 5 This Act shall be administered by the department.

R.S.S. 1965, c.360, s.5; R.S.S. 1978, c.O-2, s.5.

**Jurisdiction and authority of minister**

- 6 For the purpose of effectuating the purposes of this Act, the minister has jurisdiction and authority over all persons and property, public and private, and may make or cause to be made inquiries and investigations into any matter or thing in relation to the drilling for, and the resources, occurrence, production, transportation, distribution, disposition and processing of, oil or gas or products derived therefrom in the province at such places and at such times and in such manner as he may deem advisable, and may make or issue orders and take any other action he deems necessary or expedient for or incidental to the performance, execution and carrying out of any duty, function or power imposed or conferred upon him by this Act.

R.S.S. 1965, c.360, s.6; R.S.S. 1978, c.O-2, s.6.

**Minister to determine matters**

**6.1(1)** The minister has exclusive jurisdiction to examine, hear and determine all matters and questions that arise pursuant to this Act, including matters with respect to which:

- (a) a power, including a power to make an order;
- (b) an authority; or
- (c) a discretion;

is conferred on the minister.

(2) The minister may:

- (a) reconsider any matter that the minister has dealt with; and
- (b) rescind, alter, amend, suspend or confirm any:
  - (i) decision or order made;
  - (ii) approval granted; or
  - (iii) permit or licence issued;

by the minister.

1990-91, c.39, s.5.

**No appeal or review**

**6.2(1)** Subject to subsection 6.1(2):

- (a) there is no appeal from an order or decision of the minister; and
- (b) all decisions, findings and orders of the minister pursuant to this Act:
  - (i) are final and conclusive; and
  - (ii) are not reviewable in any court of law.

(2) No decision, finding or order of the minister shall be restrained by injunction, prohibition or other proceeding or be removed by certiorari or otherwise by any court.

1990-91, c.39, s.5.

**6.3 Repealed.** 2000, c.50, s.17.

**Establishment of board**

**7(1)** The Lieutenant Governor in Council may establish a board to be called the Oil and Gas Conservation Board.

(2) The board consists of any number of members that the Lieutenant Governor in Council considers advisable.

- (3) The Lieutenant Governor in Council shall:
- (a) appoint the members of the board and determine the term during which each member holds office;
  - (b) designate one member of the board as chairperson and another member as vice-chairperson;
  - (c) determine the number of members of the board that constitute a quorum; and
  - (d) fix the remuneration that members of the board are to receive.
- (4) Each member of the board:
- (a) holds office for the term determined by the Lieutenant Governor in Council pursuant to clause (3)(a) and until the member's successor is appointed; and
  - (b) is eligible to be re-appointed.

1990-91, c.39, s.6.

**Employees and advisers**

7.1(1) For the purposes of carrying out its duties and exercising its powers, the board may:

- (a) employ any officers and employees that it considers necessary and determine their duties, conditions of employment and remuneration;
  - (b) engage the services or retain any technical, professional or other advisors, specialists or consultants to:
    - (i) advise the board with respect to; or
    - (ii) inquire into and report to the board on;
 any matter with respect to which the board considers it necessary to have information;
  - (c) subject to subsection (2), avail itself of the services of any officer or employee of a department, board, commission or agency of the Government of Saskatchewan.
- (2) An officer or employee mentioned in clause (1)(c) shall give to the board the service, assistance and information that the officer or employee is able to give and that the board requires if:
- (a) the member of the Executive Council responsible for the administration of the department; or
  - (b) the board, commission or agency;

that employs the officer or employee authorizes the officer or employee to do so.

1990-91, c.39, s.6.

**Referral by minister**

7.11(1) Subject to sections 7.2 to 7.3, where the minister is satisfied that all reasonable efforts have been made to resolve the matter in issue, the minister may, on the minister's own motion or on the application of an interested person, refer any matter or question arising pursuant to this Act, the regulations or an order made pursuant to this Act to the board for the purpose of conducting:

- (a) an investigation;
- (b) a hearing; or
- (c) an inquiry.

(2) Where the minister refers a matter to the board, the minister may specify a time within which the board is to do any or all of the following:

- (a) commence the investigation, hearing or inquiry;
- (b) render a report and recommendations pursuant to section 7.51.

(3) An applicant shall provide the minister with any data, information and materials that the minister may require.

1990-91, c.39, s.6.

**Referral where board not established**

7.2(1) Where:

- (a) a board has not been established pursuant to section 7; or
- (b) the minister considers it advisable;

the minister may direct an official of the department to do any of the things mentioned in subsection 7.11(1).

(2) For the purposes of carrying out a minister's direction pursuant to subsection (1), the official has all the powers conferred on the board pursuant to sections 7 to 7.9 and is subject to all of the duties imposed on the board pursuant to these sections.

1990-91, c.39, s.6.

**Refusal to refer or hear**

7.21(1) Notwithstanding any other Act or law, the minister may refuse to refer any matter or question for investigation, hearing or inquiry if, in the opinion of the minister:

- (a) the application is frivolous or vexatious;
- (b) the applicant is not, or is not likely to be, directly, adversely and sufficiently affected by the matter or question in issue;
- (c) the matter or question also falls within the scope of another Act or within the jurisdiction of another board or tribunal;

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(d) the matter or question has been sufficiently dealt with in a previous investigation, hearing or inquiry; or

(e) the matter or question is before the courts or has been dealt with by the courts.

(2) Notwithstanding any other Act or law, the minister may refuse to hear any matter or question if, in the opinion of the minister, any of the circumstances described in subsection (1) exist.

1990-91, c.39, s.6.

**Investigation by member, officer etc.**

**7.3(1)** Unless otherwise directed by the minister, the board, the chairperson or the vice-chairperson may authorize any member of the board or any officer or employee of the board to conduct an investigation and report to the board on any question or matter referred to the board.

(2) For the purposes of conducting an investigation and preparing a report pursuant to subsection (1), the member, officer or employee has all the powers of the board for the purposes of investigating or acquiring the necessary information.

(3) The board may adopt the report of the member, officer or employee as the report of the board.

1990-91, c.39, s.6.

**Investigative powers**

**7.31(1)** Subject to subsections (2) and (3), a member, officer or employee of the board may, at any reasonable time, for any purpose relating to a hearing, inquiry or investigation pursuant to this Act, enter without a warrant any land or premises where the business of a licensee or operator is carried on, any property is kept or any thing done in connection with the business of a licensee or operator, or any books or records may be kept for the purposes of:

- (a) collecting data;
- (b) making inspections, studies and investigations;
- (c) examining books, records and documents;
- (d) examining, checking, testing and gauging equipment and property;
- (e) requiring the production of documents and property for the purposes of examination or the making of copies;
- (f) making any inquiries related to the hearing, inquiry or investigation.

(2) The member, officer or employee of the board shall:

- (a) carry out any copying of documents with reasonable dispatch;
- (b) give a receipt for any documents removed for copying; and
- (c) on completion of copying, return the documents to the person who produced them.

(3) The member, officer or employee of the board shall not enter a private dwelling without a warrant issued pursuant to subsection (7) unless the occupier of the dwelling consents to the entry.

(4) For the purposes of subsection (1), the member, officer or employee of the board may require the licensee or operator or any representative, agent, officer or employee of the licensee or operator to give all reasonable assistance to the member, officer or employee.

(5) The licensee or operator or representative, agent, officer or employee of the licensee or operator shall comply with the requirement of a member, officer or employee of the board pursuant to subsection (4) within any time that the member, officer or employee of the board may determine.

(6) Where a person:

- (a) refuses to permit a member, officer or employee of the board:
  - (i) to enter land or premises pursuant to subsection (1); or
  - (ii) to carry out any of the activities described in subsection (1); or
- (b) fails to produce documents or property pursuant to clause (1)(e);

a member, officer or employee of the board may make application to a justice of the peace or a judge of the Provincial Court of Saskatchewan for a warrant to be issued pursuant to subsection (7).

(7) Where a justice of the peace or a judge of the Provincial Court of Saskatchewan is satisfied by the oath of a member, officer or employee of the board that the member, officer or employee believes on reasonable and probable grounds:

- (a) that:
  - (i) there are or may be documents or property described in subsection (1) at the place described in that subsection; and
  - (ii) the person who has or may have possession or custody of those documents or that property refuses to produce those documents or that property or permit the copying of those documents; or
- (b) that a licensee or operator or a representative, agent, officer or employee of a licensee or operator refuses to permit the member, officer or employee of the board:
  - (i) to enter the land or premises described in subsection (1); or
  - (ii) to carry out any of the activities described in subsection (1);

the justice of the peace or judge may issue a warrant under his or her hand.

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(8) A warrant issued pursuant to subsection (7) authorizes the person named in the warrant to enter the place named in the warrant and the premises connected with that place to:

- (a) examine the place and connected premises;
- (b) carry out the activities described in subsection (1); and
- (c) search for and seize and take possession of any books, records, documents and property described in subsection (1).

1990-91, c.39, s.6; 2001, c.26, s.4.

**Powers re procedure**

7.4(1) Subject to this section and to any regulations made pursuant to subsection (2), the board may determine its own procedures in any of its investigations, hearings or inquiries.

(2) The Lieutenant Governor in Council may make regulations respecting the procedures to be followed in investigations, hearings and inquiries.

1990-91, c.39, s.6.

**Whether proceedings are public or *in camera***

7.41(1) Subject to subsections (2) and (3), hearings and inquiries of the board are to be held in public.

(2) The board may, on its own motion or on the application of an interested person, hold any of its proceedings or any portion of one of its proceedings *in camera* if the board considers it necessary to do so.

(3) Notwithstanding anything else in sections 7 to 7.9, the board may make any orders that it considers necessary to protect the confidentiality of information disclosed at proceedings held *in camera* or otherwise obtained by the board, including, without limiting the generality of the foregoing:

- (a) orders requiring any person to return to the board any documents, records, books, data, plans, maps, specifications, drawings, samples or other property or things provided to the person for the purposes of the proceedings; or
- (b) orders prohibiting a person who was present during the proceedings or who otherwise participated in the proceedings from disclosing by any means, directly or indirectly, to any other person any information that the person obtained in the course of the proceedings.

1990-91, c.39, s.6.

**Conduct of hearings**

7.5(1) The board may give notice of a hearing:

- (a) to any persons that the board is aware of who, in the opinion of the board, are directly and sufficiently affected by the matter or question that is the subject of the hearing; and
- (b) in any manner that the board considers appropriate.

- (2) In conducting hearings, the board is not bound by the rules of evidence.
- (3) The board may conduct a hearing entirely by means of written submissions and evidence in written form.
- (4) The board may:
  - (a) accept and act on evidence by affidavit or written affirmation; or
  - (b) accept as evidence and act on:
    - (i) the report of any person employed or engaged by the board to prepare the report; or
    - (ii) the report of any person obtained by the board in any other manner that the board considers proper.
- (5) The board has the same powers as are vested in Her Majesty's Court of Queen's Bench for Saskatchewan for the trial of civil actions to:
  - (a) summon and enforce the attendance of witnesses;
  - (b) compel witnesses to give evidence on oath or otherwise; and
  - (c) compel witnesses to produce documents, records, books, data, plans, maps, specifications, drawings, samples and other property or things.
- (6) The failure or refusal of a person summoned as a witness pursuant to subsection (5) to:
  - (a) attend;
  - (b) answer questions; or
  - (c) produce documents, records, books, data, plans, maps, specifications, drawings, samples and other property or things;makes the person, on application to a judge of Her Majesty's Court of Queen's Bench for Saskatchewan by the board or the chairperson or vice-chairperson of the board, liable to be committed for contempt by the court in the same manner as if the person was in breach of an order or judgment of that court.

1990-91, c.39, s.6.

#### **Report**

- 7.51**(1) Where a matter or question has been referred to the board pursuant to section 7.11, the board shall submit a report in writing to the minister after the completion of the investigation, hearing or inquiry setting out:
- (a) the findings and conclusions of the board; and
  - (b) if the minister has requested recommendations on any matter, those recommendations.
- (2) Where a report of the board is made with respect to a hearing, a party to the hearing is entitled, on request to the board, to be provided with a copy of the report.

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(3) Where a report of the board is made with respect to an investigation or inquiry, the minister may provide a copy of the report to a person who requests it if, in the minister's opinion, it is appropriate to do so.

(4) The minister shall consider any report of the board submitted pursuant to this section, but is not bound by any finding or conclusion of the board and is not bound to act on or implement any recommendation of the board.

1990-91, c.39, s.6.

**Power to review or vary**

**7.6** On the request of the minister, the board may:

- (a) review or reconsider any matter or question dealt with by the board in an investigation, hearing or inquiry; or
- (b) rescind or vary all or any part of a report made by the board.

1990-91, c.39, s.6.

**Costs**

**7.61(1)** In this section, "**costs**" includes:

- (a) all costs of the board, including administrative and overhead costs, that are attributable to the hearing; and
- (b) all reasonable costs of a party to the hearing.

(2) Unless the minister orders otherwise, the board may make an order that all or any portion of the costs be paid by one or more of the parties to the hearing, in any amount and in any proportions that the board considers fair and reasonable.

(3) Where the board orders pursuant to subsection (2) that costs be paid by a party to the hearing, the amount of the costs to be paid is a debt due to the Crown in right of Saskatchewan and may be recovered by the minister in any manner authorized by law.

1990-91, c.39, s.6.

**Conflict of interest**

**7.7** If:

(a) a member of the board has a monetary interest of any description, directly or indirectly, in any property or in any business or undertaking carried on for the purpose of:

- (i) searching for, winning or getting; or
- (ii) gathering, collecting, processing or distributing;

oil or gas in Saskatchewan; and

(b) a question affecting that interest is before the board; the member shall, as soon as the member is aware of the question, disclose in writing the member's interest to the board and shall not act or vote as a member of the board on that question.

1990-91, c.39, s.6.

**Loss or disability of member after commencement of proceedings**

7.8 Where, after the board commences an investigation, hearing or inquiry, a member of the board dies, resigns or for any reason becomes incapable of acting, the other members of the board who are present when the proceeding commences may:

- (a) complete the proceeding or any adjournment of the proceeding; and
- (b) make a report pursuant to section 7.51;

notwithstanding that the members who complete the proceeding and make the report do not constitute a quorum.

1990-91, c.39, s.6.

**Non-liability of board**

7.9 No action lies or shall be instituted against the board, a member of the board or an officer, employee or agent of the board for any loss or damage suffered by a person by reason of anything in good faith done, caused, permitted or authorized to be done, attempted to be done or omitted to be done, by any of them, pursuant to or in the exercise of or supposed exercise of any power conferred by this Act or the regulations or in the carrying out or supposed carrying out of any order made pursuant to this Act or any duty imposed by this Act or the regulations.

1990-91, c.39, s.6.

## PART II Licences

**Licence required**

8(1) No person shall, without a licence authorizing that activity:

- (a) spud in, drill, operate, produce from, suspend the operation of or abandon a well; or
- (b) construct, alter, operate, suspend the operation of or abandon an upstream facility.

(2) Subsection (1) does not apply where a person is carrying out any activity mentioned in that subsection for the purpose of complying with an order made by the minister pursuant to section 17.01.

2001, c.26, s.5.

**Application for licence**

**8.1** An applicant for a licence shall:

- (a) apply to the department in a form satisfactory to the minister;
- (b) include with the application the prescribed information and material and any other information and material that the minister may require;
- (c) submit the prescribed fee to the department; and
- (d) in the case of a first-time applicant as defined in the regulations, submit the orphan fund fee established in the regulations made pursuant to section 20.98.

2001, c.26, s.5; 2007, c.7, s.4.

**Issuance of licence**

**9(1)** The minister may:

- (a) issue a licence if the minister is satisfied that:
    - (i) the applicant has complied with this Act and the regulations;
    - (ii) the applicant meets the prescribed eligibility requirements; and
    - (iii) it is in the public interest to do so; or
  - (b) refuse to issue the licence.
- (2) The minister may include as a provision of the licence any terms and conditions that the minister considers appropriate.
- (3) Where the minister refuses to issue a licence pursuant to clause (1)(b), the minister shall provide the applicant with written reasons for the refusal.

2001, c.26, s.5.

**Compliance with licence required**

**9.1** Every licensee shall comply with the terms and conditions of the licence.

2001, c.26, s.5

**Transfer of licence restricted**

**10(1)** A licence is not transferable unless:

- (a) the written approval of the minister is first obtained;
- (b) the person to whom the licence is to be transferred meets the prescribed eligibility requirements for applicants; and
- (c) if the person to whom the licence is to be transferred will be a first-time licence holder, the person submits the orphan fund fee established in the regulations made pursuant to section 20.98.

- (2) A licensee who wishes to transfer the licence shall:
  - (a) apply to the department in a form satisfactory to the minister;
  - (b) include with the application the prescribed information and material and any other information and material that the minister may require; and
  - (c) submit the prescribed fee to the department.
- (3) The minister may:
  - (a) approve the transfer of a licence if the minister is satisfied that:
    - (i) the applicant has complied with this Act and the regulations;
    - (ii) the person to whom the licence is to be transferred meets the prescribed eligibility requirements and has submitted the prescribed orphan fund fee if required by the regulations to do so; and
    - (iii) it is in the public interest to do so; or
  - (b) refuse to approve the transfer of the licence.
- (4) Where the minister approves the transfer of the licence, the minister may amend the licence to include as a provision of the licence any terms and conditions that the minister considers appropriate.
- (5) Where the minister refuses to approve the transfer of a licence pursuant to clause (3)(b), the minister shall provide the applicant with written reasons for the refusal.
- (6) The minister shall not unreasonably withhold approval for the transfer of a licence.

2001, c.26, s.5; 2007, c.7, s.4.

**Transfer of licence where licensee does not meet eligibility requirements**

- 10.1(1)** Where a licensee does not meet the prescribed eligibility requirements for an applicant for a licence, another person who meets the eligibility requirements may apply to the minister to have the licence transferred to that person.
- (2) An applicant for the transfer of a licence pursuant to this section shall:
    - (a) apply to the department in a form satisfactory to the minister;
    - (b) include with the application the prescribed information and material and any other information and material that the minister may require;
    - (c) submit the prescribed fee to the department; and
    - (d) in the case of a first-time applicant as defined in the regulations, submit the orphan fund fee established in the regulations made pursuant to section 20.98.

- (3) The minister may:
- (a) subject to subsection (4), approve the transfer of the licence if the minister is satisfied that:
    - (i) the person to whom the licence is to be transferred has complied with this Act and the regulations;
    - (ii) the person to whom the licence is to be transferred meets the prescribed eligibility requirements; and
    - (iii) it is in the public interest to do so; or
  - (b) refuse to approve the transfer of the licence.
- (4) The minister shall not transfer the licence unless the minister has provided the licensee with not less than 30 days' notice in writing, directed to the licensee's address for service registered pursuant to section 53, of the minister's intention to transfer the licence.
- (5) Where the minister approves the transfer of the licence, the minister may amend the licence to include as a provision of the licence any terms and conditions that the minister considers appropriate.
- (6) Where the minister refuses to approve the transfer of a licence pursuant to clause (3)(b), the minister shall provide the applicant with written reasons for the refusal.

2001, c.26, s.5; 2007, c.7, s.4.

**Notice of contravention**

**11** Where a licensee contravenes any provision of this Act or the regulations or any term or condition in the licence or no longer meets the prescribed eligibility requirements to hold a licence, the minister may, in writing, require the licensee to remedy the contravention or comply with the eligibility requirements within a specified time.

2001, c.26, s.5.

**Amendment, suspension, cancellation of licences**

- 12(1)** The minister may amend or suspend a licence where the amendment or suspension is necessary for the purposes of public safety or the safety of any person or for the protection of property or the environment.
- (2) The minister may amend, suspend or cancel a licence where:
- (a) the licensee is in agreement with the amendment, suspension or cancellation;
  - (b) the licensee fails to remedy a contravention or comply with the eligibility requirements within the time specified pursuant to section 11;

- (c) the security required pursuant to section 15 has not been provided in the amount and within the time required; or
  - (d) the licensee repeatedly contravenes one or more provisions in this Act or the regulations or terms or conditions in the licence.
- (3) Unless, in the minister's opinion, action is urgently required, the minister shall not amend, suspend or cancel a licence pursuant to clause (2)(b), (c) or (d) unless the licensee has been given a reasonable opportunity to make representations to the minister, in a form determined by the minister, concerning the proposed amendment, suspension or cancellation.
- (4) Where the minister amends, suspends or cancels a licence without giving the licensee an opportunity to make representations to the minister, the minister shall:
- (a) notify the licensee as soon as possible that the licence has been amended, suspended or cancelled; and
  - (b) provide the licensee with an opportunity to make representations within 15 days after the date of the amendment, suspension or cancellation.
- (5) For the purposes of section 8, a licence that is suspended pursuant to this section is, for the period of the suspension, deemed not to have been issued.

2001, c.26, s.5.

**Wells to be named**

- 13** Every well is to have a unique name approved by the minister.

2001, c.26, s.5.

**Transitional**

**14(1)** Subject to subsection (2) and to section 15, where, on the coming into force of this Part, a licence is required for the operation of an upstream facility that existed on the day before this Part came into force, the minister shall issue a licence to a person who meets the prescribed eligibility requirements for applicants as though that person had applied for a licence pursuant to section 8.1 and satisfied the requirements of that section.

(2) Before issuing a licence pursuant to subsection (1), the minister may require the person to provide to the minister any prescribed information and material and any other information and material that the minister may require.

(3) The minister may include as a provision of the licence any terms and conditions that the minister considers appropriate.

2001, c.26, s.5.

**Security may be required**

**15(1)** Subject to the regulations, the minister may require or accept from a person a letter of credit or any other form of security provided for in the regulations, in an amount determined by the minister, for the purpose of ensuring that the person's obligations pursuant to this Act, the regulations or a licence with respect to the suspension, abandonment, restoration, remediation or reclamation of wells, upstream facilities and the sites of wells and upstream facilities are satisfied:

- (a) as a condition of a person becoming a licensee pursuant to section 9, 10, 10.1 or 14;
  - (b) where a person who is a licensee fails a liability ratings test conducted in accordance with the regulations for the purpose of determining the risk posed by the licensee with respect to the suspension, abandonment, restoration, remediation or reclamation of the wells or upstream facilities in relation to which the licensee holds a licence and the sites of those wells and upstream facilities; or
  - (c) in any other prescribed circumstances.
- (2) Where the minister requires a person to provide a letter of credit or other form of security provided for in the regulations, the minister shall, in accordance with the regulations, provide that person with notice of the requirement, specifying:
- (a) the form of security to be provided;
  - (b) the amount of the security to be provided; and
  - (c) the date by which the security is to be provided.
- (3) Where a person fails to provide the letter of credit or other form of security in the amount required or within the time required, the amount not provided is a debt owing to the minister and may be collected by the minister in any manner the minister considers appropriate, including in the manner provided in section 53.2.

2001, c.26, s.5.

**Regulations**

**16** The Lieutenant Governor in Council may, for the purposes of this Part, make regulations:

- (a) defining, enlarging or restricting the meaning of any word or expression used in this Part but not defined in this Part;
- (b) for the purposes of clause 2(1)(n.2), designating facilities that are or are not upstream facilities;
- (c) respecting applications for and the issuance of licences and fees for licences;
- (d) prescribing eligibility requirements for applying for or holding a licence;

- (e) respecting the circumstances in which an applicant for a licence, or a person to whom a licence may be issued, is required to submit the orphan fund fee;
- (f) respecting the amendment, suspension and cancellation of licences;
- (g) respecting the transfer of licences;
- (h) respecting the naming of wells;
- (i) respecting letters of credit and other forms of security provided for in section 15;
- (j) prescribing forms of security other than letters of credit for the purposes of section 15;
- (k) respecting the conduct of liability ratings tests for the purposes of clause 15(1)(b), including the factors to be considered and the timing and frequency of the tests;
- (l) for the purposes of clause 15(1)(c), respecting other circumstances in which a letter of credit or other form of security may be required;
- (m) where payment pursuant to a letter of credit or other form of security is made in favour of the minister, authorizing the minister to deposit the payment or a portion of the payment in the orphan fund;
- (n) prescribing any matter or thing required or authorized by this Part to be prescribed in the regulations;
- (o) respecting any other matter or thing that the Lieutenant Governor in Council considers necessary to carry out the intent of this Part.

2001, c.26, s.5.

### PART III Regulations and Orders

#### **Powers of minister**

**17(1)** Without limiting the generality of section 6, the minister may make orders, on the minister's own motion or on the application of an interested person:

- (a) respecting the establishing of:
  - (i) fields, pools, spacing areas or zones;
  - (ii) drainage units;
  - (iii) set-back distances;
  - (iv) target areas;

- (b) respecting and limiting the number and types of wells that may exist in a drainage unit;
- (c) respecting the spacing of wells;
- (d) regulating, limiting and allocating production from one or more wells, blocks or areas, including but not limited to:
  - (i) establishing:
    - (A) a maximum allowable rate of production from a well, block or area; or
    - (B) different:
      - (I) maximum allowable rates of production; or
      - (II) methods of determining maximum allowable rates of production;for a well, type of well, block or area; and
  - (ii) authorizing production according to good production practices for a well, type of well, block or area;
- (e) limiting the amount of gas or water that may be produced with oil from a well or wells;
- (f) limiting the production of oil from a well or wells that produce gas or water in excess of the amount of gas or water limited by an order pursuant to clause (e);
- (g) respecting the drilling, plugging, producing and operating of wells and other operations related to the production of oil or gas;
- (h) respecting operations to increase or improve recovery;
- (i) respecting the completing, chemical treating and fracturing of wells;
- (j) respecting the taking of cores, the making of logs and the submitting of core analyses to the department;
- (k) respecting the containment, storage, handling, transportation, treatment, processing, recovery, reuse, recycling, destruction and disposal of oil and gas waste and non-oil-and-gas waste;
- (l) classifying wells as oil or gas wells if the minister considers it necessary for the application and enforcement of this Act;
- (m) respecting the conditions under which drilling and producing operations may be carried out in environmentally sensitive areas and any special measures to be taken in those operations;

- (n) respecting the processing and storing of:
    - (i) oil, condensate and natural gas; and
    - (ii) oil, condensate and natural gas products and byproducts;
  - (o) respecting any other matter that the minister considers necessary or incidental to the carrying out of the minister's duties or the exercising of the minister's powers pursuant to this Act or the regulations.
- (2) Notwithstanding anything in this Act or the regulations, the minister may include in an order pursuant to subsection (1) any terms and conditions that the minister considers advisable.

1990-91, c.39, s.11; 2001, c.26, s.6.

**Minister's orders for the protection of the environment**

**17.01(1)** Notwithstanding any licence, permit or approval, where, in the minister's opinion, it is necessary to do so for the purposes of public safety or the safety of any person, for the protection of property or the environment or for any other prescribed purpose, the minister may order any person to:

- (a) suspend the operation of any well, structure test hole, oil shale core hole, upstream facility or any other oil or gas facility in the manner and within the time specified in the order; and
  - (b) abandon, restore, remediate or reclaim any well, structure test hole, oil shale core hole, upstream facility or any other oil or gas facility, or the site of any well, structure test hole, oil shale core hole, upstream facility or any other oil or gas facility, in the manner and within the time specified in the order.
- (2) The minister may, in an order made pursuant to this section, specify:
- (a) the manner in which the order is to be carried out and the method or procedures to be used; and
  - (b) the time within which anything required by the order is to begin and the time within which the order or any part of the order is to be complied with.

2001, c.26, s.7.

**Service of order**

**17.02** An order made pursuant to section 17.01 is to be served on the person to whom the order is directed.

2001, c.26, s.7.

**Minister may carry out order**

**17.03** Where a person to whom an order made pursuant to section 17.01 is directed fails to comply with the order in the specified manner or within the specified time, the minister may:

- (a) carry out the order or cause the order to be carried out; and
- (b) recover the costs and expenses incurred pursuant to clause (a) on behalf of the Crown in right of Saskatchewan, as a debt due to and recoverable by the Crown, from the person who failed to comply with the order.

2001, c.26, s.7.

**Power to take immediate action**

**17.04(1)** Notwithstanding section 17.01, where the minister considers it in the public interest to take immediate action or is unable to readily identify or locate the person to whom an order pursuant to section 17.01 should be directed, he or she may, in any manner and by any method he or she considers appropriate:

- (a) suspend the operation of any well, structure test hole, oil shale core hole, upstream facility or any other oil or gas facility; and
- (b) abandon, restore, remediate or reclaim any well, structure test hole, oil shale core hole, upstream facility or any other oil or gas facility, or the site of any well, structure test hole, oil shale core hole, upstream facility or any other oil or gas facility.

(2) The amount of any costs and expenses incurred with respect to any action taken pursuant to subsection (1) is a debt due to and recoverable by the Crown in right of Saskatchewan from the person identified by the minister as the person to whom an order would have been directed if the minister had not acted pursuant to subsection (1).

2001, c.26, s.7.

**Enforcement Powers**

**17.05(1)** Subject to subsection (2), the minister may, at any reasonable time, for any purpose relating to the administration or enforcement of this Act or the regulations or any order made by the minister, enter without a warrant, and with any machinery, equipment or materials, any land where a well, structure test hole, oil shale core hole, upstream facility or any other oil or gas facility is located.

(2) The minister shall not enter a private dwelling without a warrant issued pursuant to subsection (6) unless the occupier of the dwelling consents to the entry.

(3) For the purposes of subsection (1), the minister may require the licensee or operator, any representative, agent, officer or employee of the licensee or operator or any other person present on the land to give all reasonable assistance to the minister.

- (4) The licensee or operator, representative, agent, officer or employee of the licensee or operator or other person shall comply with the requirement of the minister pursuant to subsection (3) within any time that the minister may determine.
- (5) The minister may apply to a justice of the peace or a judge of the Provincial Court of Saskatchewan for a warrant pursuant to subsection (6) where:
- (a) a person refuses to permit the minister to enter land pursuant to subsection (1); and
  - (b) the minister believes, on reasonable grounds, that entry to the land is necessary for the purpose set out in subsection (1).
- (6) A justice of the peace or judge may issue a warrant where he or she is satisfied by the oath of the minister that there are reasonable grounds for believing:
- (a) that entry to the land is necessary for the purpose set out in subsection (1); and
  - (b) that the minister has been denied entry to the land described in subsection (1) for the purposes set out in that subsection.
- (7) A warrant issued pursuant to subsection (6) authorizes the person named in the warrant to enter the land named in the warrant to:
- (a) examine the land; and
  - (b) carry out the activities described in subsection (1).

2001, c.26, s.7.

**Forfeiture of machinery, etc.**

**17.06** The minister may order that any machinery, equipment or materials at the site of a well or upstream facility be forfeited to the Crown in right of Saskatchewan where:

- (a) the machinery, equipment or materials are located at the site of a well or upstream facility that is no longer active;
- (b) the abandonment, restoration, remediation or reclamation of the well or upstream facility or the site of the well or upstream facility is, in the minister's opinion, required; and
- (c) the owner, operator or licensee of the well or upstream facility cannot be located.

2001, c.26, s.7.

**Power re certain plans**

**17.1(1)** Notwithstanding anything in this Act or the regulations, the minister may make orders approving plans for:

- (a) increasing or improving oil or gas recovery or operations, including, without limiting the generality of the foregoing, plans for:
    - (i) drilling, producing from and operating horizontal wells;
    - (ii) water flooding;
    - (iii) pressure maintenance;
    - (iv) steam injection;
    - (v) *in situ* combustion;
    - (vi) introducing any substance into the producing formation;
  - (b) disposing of oil-and-gas wastes or non-oil-and-gas wastes in subsurface formations.
- (2) Notwithstanding anything in this Act or the regulations, the minister may include in an order pursuant to subsection (1) any terms and conditions that the minister considers advisable.
- (3) No person shall proceed with a plan described in subsection (1) before the plan has been submitted to the minister for approval.
- (4) Any approvals that:
- (a) were made, before this section was assented to, by the minister pursuant to section 52, as that section existed before the coming into force of this section; and
  - (b) were existing on the day before this section was assented to;

are deemed to be orders made pursuant to this section and may be dealt with as if they were orders made pursuant to this section.

1990-91, c.39, s.11.

**Paramountcy of orders**

**17.2** In the event of a conflict between an order made pursuant to section 17, 17.01 or 17.1 and a regulation made pursuant to section 16, 18 or 20.98, the order is to prevail.

2001, c.26, s.8.

**Power of Lieutenant Governor in Council**

18 The Lieutenant Governor in Council may make regulations deemed necessary to carry out the provisions of this Act according to their true intent and, without restricting the generality of the foregoing, the Lieutenant Governor in Council may make regulations:

- (a) authorizing or requiring:
  - (i) the spacing of wells, the establishment of set-back distances, the establishment of target areas and the formation of drainage units generally;
  - (ii) the identification of ownership of wells, upstream facilities, any other oil or gas facilities, producing leases and pipelines;
  - (iii) the making and filing with the department of well logs, directional surveys and reports on well location, drilling, drilling tests and production;
  - (iv) the filing of oil or gas analyses or other information pertaining to oil or gas;
  - (v) the drilling, casing, cementing, operating and plugging of wells in accordance with good practices and in such manner as to prevent the escape of oil or gas from one stratum into another, the harmful intrusion of water into an oil or gas stratum and the pollution of fresh water supplies by oil, gas or salt water, and in such manner as to prevent blowouts, cavings, seepages and fires;
  - (vi) that the production from wells be separated into gaseous and liquid hydrocarbons, and that each of these be accurately measured by such means and according to such standards as may be determined by the minister;
  - (vii) certificates of clearance showing quantity and disposition with respect to the transportation or delivery of oil, gas or any product;
  - (viii) metering or measuring of oil or gas in pipe lines, gathering systems or other places;
  - (ix) every person who produces, sells, purchases, acquires, stores, transports, refines or processes oil or gas to keep and maintain in the province complete and accurate records of the quantities thereof, which records shall be available for examination by the minister or any person authorized by him at all reasonable times, and requiring every such person to file with the department such reports as may be required with respect to such oil or gas or any product thereof;
- (b) governing the suspension of operations and the abandonment and reconditioning of wells;

- (c) requiring and prescribing the taking and method of taking of cores and samples of any kind and their submission to the department, and respecting penalties for failure to comply with those requirements;
- (d) prescribing the methods of operation to be observed during drilling and in the subsequent management and conduct of any well:
  - (i) for the protection of life and property;
  - (ii) for the prevention and extinguishment of fires;
  - (iii) for the prevention of the blowing out of control of wells; and
  - (iv) for the prevention of pollution of fresh water supplies;
- (e) governing the testing of gas wells;
- (f) providing for the inspection of wells, both during and after drilling, with respect to:
  - (i) matters pertaining to safe operations; and
  - (ii) matters pertaining to the general public interest, having regard to the protection of public or private property;
- (g) providing for the taking over of any well, upstream facility or any other oil or gas facility that is a menace to oil, gas or water-bearing formations or to life or property if:
  - (i) remedial measures are considered necessary; and
  - (ii) the owner of the well, upstream facility or any other oil or gas facility fails to use the measures mentioned in subclause (i);
- (g.1) in the circumstances mentioned in clause (g), providing for the execution of the remedial measures mentioned in that clause at the expense of the owner of the well, upstream facility or any other oil or gas facility;
- (h) respecting the issuance of permits authorizing the drilling of structure test holes and oil shale core holes and prescribing fees for those permits;
- (h.1) respecting the inspection and control of structure test holes and oil shale core holes and the making and submission to the department of logs, core analyses and reports;
- (h.2) respecting the abandonment and reclamation of structure test holes and oil shale core holes;
- (i) generally governing operations to increase ultimate recovery, including the cycling of gas, the maintenance of pressure and the introduction of gas, water or other substances into producing formations;
- (j) authorizing and governing the shutting in and sealing of wells and the shutting down of the operation of equipment and facilities, for infraction of this Act or any regulation or order;

- (k) **Repealed.** 2001, c.26, s.9.
- (l) governing the procedure with respect to inquiries and investigations;
- (m) governing the procedure with respect to filing of agreements for unit operation;
- (n) authorizing and governing:
  - (i) the construction and operation of any facility designed to process and dispose of waste crude oil and related substances; and
  - (ii) the shutting down of the operation of any facility described in subclause (i) for an infraction of this Act, any regulation made pursuant to this Act, any order issued pursuant to this Act or any term or condition of any ministerial approval issued pursuant to this Act with respect to the facility;
- (n.1) requiring a person operating a waste processing facility to provide a letter of credit or other form of security, in an amount determined by the minister, for the purpose of ensuring that the person's obligations pursuant to this Act, the regulations or a ministerial approval are satisfied with respect to the suspension, abandonment, restoration, remediation or reclamation of a waste processing facility and the site of a waste processing facility;
- (n.2) respecting letters of credit or other forms of security that may be required to be provided by a person operating a waste processing facility;
- (n.3) where payment pursuant to a letter of credit or other form of security is made in favour of the minister respecting a waste processing facility, authorizing the minister to deposit the payment or a portion of the payment in the orphan fund;
- (o) for the purposes of subclause (n)(i):
  - (i) providing for, requiring and prescribing the manner of issuing approvals for facilities described in that subclause;
  - (ii) authorizing the minister to impose any terms and conditions that the minister considers appropriate on those approvals; and
  - (iii) respecting the amendment, suspension or cancellation of those approvals;
- (p) requiring the submission and prescribing the contents of reports and information with respect to facilities described in clause (n);
- (q) respecting the drilling, production and operation of horizontal wells;
- (r) prescribing and governing production penalties for off-target wells or wells that contravene set-back distances established in orders pursuant to clause 17(1)(a) or the regulations;

- (s) prohibiting or restricting drilling, specifying areas within which drilling is prohibited or restricted, specifying circumstances in which drilling is prohibited or restricted and generally governing the prohibition or restriction of drilling;
- (t) prescribing and governing any measures or requirements that the Lieutenant Governor in Council considers necessary to protect the environment;
- (u) respecting the filing of plans for, and the approval of, compressor stations and gas plants;
- (v) respecting the confidentiality of data acquired in the course of administering the Act, the regulations and orders made pursuant to the Act;
- (w) respecting the matters that are to be included in an order made pursuant to subsection 35(1);
- (x) requiring the submission of information, respecting the form and manner in which information is to be submitted and respecting penalties for failure to comply with these requirements;
- (y) **Repealed.** 2001, c.26, s.9.
- (z) requiring the payment of fees or charges for any thing done, any licence or other document issued or any approval or authorization granted pursuant to this Act or the regulations, prescribing the amounts of, and governing, those fees and charges;
- (aa) respecting the penalties mentioned in clauses (c) and (x), providing generally for the manner in which those penalties are to be determined or assessed and authorizing the minister to determine or assess the penalties and to waive all or any portion of a penalty;
- (bb) respecting the requirements and standards for the restoration, remediation and reclamation of any area that may have been damaged, contaminated or otherwise affected by oil or gas operations;
- (cc) respecting the obligations of licensees and other persons to abandon, restore, remediate or reclaim:
  - (i) any well, structure test hole, oil shale core hole, upstream facility or any other oil or gas facility; or
  - (ii) the site of any well, structure test hole, oil shale core hole, upstream facility or any other oil or gas facility;
- (dd) prescribing any other purpose for which the minister may make an order pursuant to section 17.01;
- (ee) respecting the storage, handling, transportation, treatment and disposition of oil and natural gas;

- (ff) respecting the containment, storage, handling, transportation, treatment, processing, recovery, reuse, recycling, destruction and disposal of oil and gas wastes and non-oil-and-gas wastes;
- (gg) respecting the venting of natural gas produced from an oil well and the burning of vented gas;
- (hh) restricting or prohibiting the production of gas from an oil well, and authorizing the minister to make orders restricting or prohibiting the production of gas from an oil well;
- (ii) respecting the processing and storing of:
  - (i) oil, condensate and natural gas; and
  - (ii) oil, condensate and natural gas products and byproducts;
- (jj) respecting the forfeiture of machinery, equipment and materials pursuant to section 17.06 and the payment of the proceeds, or any portion of the proceeds, from the sale of the machinery, equipment and materials to persons who have an interest in them;
- (kk) for the purposes of subsection 19(1), prescribing the manner in which orders may be published and exempting orders from the requirement of publication;
- (ll) prescribing physical waste for the purposes of clause 2(1)(j.1);
- (mm) prescribing physical waste for the purposes of clause 2(1)(j.2) that is not to be included within the meaning of oil and gas waste;
- (nn) defining, enlarging or restricting the meaning of any word or expression used in this Act but not defined in this Act;
- (oo) prescribing any matter or thing required or authorized by this Act to be prescribed in the regulations;
- (pp) respecting any other matter or thing that the Lieutenant Governor in Council considers necessary to carry out the intent of this Act.

R.S.S. 1965, c.360, s.18; 1966, c.66, s.2; R.S.S. 1978, c.O-2, s.18; 1988-89, c.31, s.7; 1989-90, c.54, s.6; 1990-91, c.39, s.12; 1998, c.30, s.3; 2001, c.26, s.9.

**Regulations respecting security**

**18.01(1)** In this section, “**terrorist activity**” means a terrorist activity as defined in the *Criminal Code*.

(2) For the purposes of addressing security with respect to a terrorist activity or a threat of terrorist activity, the Lieutenant Governor in Council may make regulations:

- (a) prescribing the circumstances in which the minister may order the shut-down of a well, upstream facility or operation in the production of oil or gas;

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(b) respecting the security measures that the owner of a well, upstream facility or operation must undertake with respect to that well, upstream facility or operation and requiring those security measures to be taken;

(c) respecting appeals from a decision of the minister to shut down a well, upstream facility or operation.

(3) In the event of a conflict between an order made by the minister pursuant to this Part and the regulations made pursuant to this section, the regulations are to prevail.

2003, c.29, s.39.

**18.1 Repealed.** 2001, c.26, s.10.

**Regulations re gas sales information**

**18.2** Notwithstanding any other provision of this Act, for the purposes of formulating and implementing policy for the development, conservation and management of the gas resources of Saskatchewan and monitoring developments in the gas market in Saskatchewan and in gas markets outside Saskatchewan, the Lieutenant Governor in Council may make regulations:

(a) requiring the submission of gas sales contracts and records and returns related to gas marketing to the minister;

(b) requiring the keeping of records and returns for the purposes of this section;

(c) prescribing the information to be included in records and returns for the purposes of this section;

(d) respecting the confidentiality requirements to be observed in connection with contracts, records and returns submitted to the minister pursuant to this section.

1988-89, c.31, s.8.

**Confidentiality**

**18.3** No officer or employee of the department shall communicate to any person any information contained in any contracts, records or returns submitted to the minister pursuant to regulations made pursuant to section 18.2, except as authorized in those regulations.

1988-89, c.31, s.8.

**18.4 Repealed.** 2001, c.26, s.11.

**Publication and effective date**

**19(1)** Unless otherwise specified in the regulations, every order made pursuant to this Act must be published in the Gazette or in the prescribed manner and comes into force on the day on which it is published or on the day specified in the order.

(2) A regulation or order made pursuant to this Act may be made retroactive to a day not earlier than two years preceding the day on which the regulation or order is made.

1988-89, c.31, s.9; 1990-91, c.39, s.13; 2001, c.26, s.12.

**20 Repealed.** 1990-91, c.39, s.14.

## PART III.1

**Oil and Gas Revolving Fund**

**20.1 to 20.9 Repealed.** 1993, c.35, s.2.

## PART III.2

**Oil and Gas Orphan Fund****Oil and Gas Environmental Fund Continued as Oil and Gas Orphan Fund**

**20.91(1)** The Oil and Gas Environmental Fund established pursuant to *The Oil and Gas Conservation Regulations, 1985* is continued as the Oil and Gas Orphan Fund.

(2) Subject to subsection 20.93(2) and the regulations made pursuant to clause 20.98(g), the primary purpose of the orphan fund is to provide financing for the abandonment, restoration, remediation or reclamation of wells and upstream facilities, and the sites of wells and upstream facilities, where the obligations of the person responsible for carrying out those activities are not being met.

2001, c.26, s.13.

**Fund advisory committee**

**20.92(1)** The minister may establish a fund advisory committee to advise the minister with respect to any matter related to the administration of the orphan fund and to perform any other prescribed functions.

(2) No action or proceeding lies or shall be commenced against any member of the fund advisory committee where that member is acting pursuant to the authority of this Act or the regulations, for anything in good faith done, caused or permitted or authorized to be done, attempted to be done or omitted to be done by that member pursuant to or in the exercise or supposed exercise of any power conferred by this Act or the regulations or in the carrying out or supposed carrying out of any order made pursuant to this Act or any duty imposed by this Act or the regulations.

2001, c.26, s.13.

**Deposit and use of moneys in the orphan fund**

**20.93(1)** Notwithstanding *The Financial Administration Act, 1993*, the following shall be deposited in the orphan fund and not in the general revenue fund:

- (a) orphan fund fees collected pursuant to sections 8.1, 10 and 10.1;
  - (b) payments pursuant to a letter of credit or other form of security when authorized by regulations made pursuant to clause 16(m) or 18(n.3);
  - (c) when authorized by the regulations, proceeds from the sale of machinery, equipment or materials forfeited to the Crown in right of Saskatchewan pursuant to section 17.06;
  - (d) moneys recovered by the minister pursuant to section 20.94;
  - (e) fees levied in accordance with regulations made pursuant to clause 20.98(c).
- (2) The minister may use money from the orphan fund for any purpose prescribed in the regulations.

2001, c.26, s.13.

**Recovery of amounts used from the orphan fund**

**20.94** Where money from the orphan fund is used to do anything that, pursuant to this Act or any regulation made pursuant to this Act, is the responsibility of another person, the minister may recover the amount expended from the orphan fund from that other person and, for that purpose, may commence an action against the person.

2001, c.26, s.13.

**Investments from the fund**

**20.95(1)** The Minister of Finance may invest any money in the orphan fund in any investments that are authorized in *The Financial Administration Act, 1993* as investments for the general revenue fund.

- (2) Profits or interest earned on money invested pursuant to subsection (1) shall be deposited to the orphan fund.
- (3) The Minister of Finance may dispose of any securities in which any part of the orphan fund has been invested pursuant to subsection (1), subject to the terms of the investment, in any manner and on any terms that the Minister of Finance considers appropriate.

2001, c.26, s.13.

**Annual report**

**20.96(1)** In each fiscal year of the orphan fund, the department shall, in accordance with *The Tabling of Documents Act, 1991*, submit to the minister:

- (a) a report of the activities of the fund for the preceding fiscal year; and
- (b) a financial statement showing the business of the fund for the preceding fiscal year in a form that may be required by Treasury Board.

(2) The minister shall, in accordance with *The Tabling of Documents Act, 1991*, lay before the Legislative Assembly each report and statement mentioned in subsection (1).

2001, c.26, s.13.

**Audit of the fund**

**20.97** The Provincial Auditor or any other auditor or firm of auditors that the Lieutenant Governor in Council may appoint shall audit the accounts and financial statements of the orphan fund:

- (a) annually; and
- (b) at any other times that the Lieutenant Governor in Council may require.

2001, c.26, s.13.

**Regulations**

**20.98** For the purposes of this Part, the Lieutenant Governor in Council may make regulations:

- (a) defining, enlarging or restricting the meaning of any word or expression used in this Part but not defined in this Part;
- (b) respecting the administration of the orphan fund;
- (c) establishing fees to be levied on wells and upstream facilities and deposited in the orphan fund, determining who is required to pay those fees and providing for their collection;
- (d) authorizing the minister to determine whether a well or upstream facility is inactive for the purposes of the fees to be levied pursuant to clause (c);
- (e) respecting the orphan fund fee to be deposited in the orphan fund;
- (f) authorizing the minister to deposit in the orphan fund all or part of the net proceeds from the sale of machinery, equipment or materials forfeited to the Crown in right of Saskatchewan pursuant to section 17.06;
- (g) prescribing the purposes for which money from the orphan fund may be used and authorizing the minister, in consultation with the fund advisory committee, to carry out those purposes and to determine when money from the orphan fund may be used for those purposes;

**c. O-2****OIL AND GAS CONSERVATION**

- (h) providing for the allocation and payment of all or any part of the administration costs of the orphan fund, including costs related to the fund advisory committee, from the orphan fund;
- (i) respecting the membership of the fund advisory committee;
- (j) respecting the functions of the fund advisory committee;
- (k) prescribing the fiscal year of the orphan fund;
- (l) prescribing minimum amounts to be retained in reserve in the orphan fund;
- (m) prescribing any matter or thing required or authorized by this Part to be prescribed in the regulations;
- (n) respecting any other matter or thing that the Lieutenant Governor in Council considers necessary to carry out the intent of this Part.

2001, c.26, s.13; 2007 c.7, s.5.

**PART IV**  
**Oil and Gas Production**  
**LIMITATION AND ALLOCATION OF PRODUCTION**

**Limitation of production**

**21** The minister shall limit the production of oil and gas to an amount that can be produced without waste.

R.S.S. 1965, c.360, s.21; R.S.S. 1978, c.O-2, s.21.

**Allocation of production**

**22** The minister may by order implement a plan for the limitation and allocation of oil production if the production capacity for a type of oil exceeds the market demand or the pipe line capacity.

1990-91, c.39, s.16.

**One well per drainage unit**

**22.1** Unless otherwise ordered by the minister or authorized by the regulations, there shall be not more than one well capable of producing oil or gas per drainage unit.

1990-91, c.39, s.16.

**23 to 26 Repealed.** 1990-91, c.39, s.17.

**Order re location of well**

**27** The minister may:

- (a) make an order permitting a well to be drilled at a location other than the location specified by a regulation or an order of general application; and
- (b) make the order mentioned in clause (a) on any terms and conditions that the minister considers advisable.

1990-91, c.39, s.18.

**28 Repealed.** 1990-91, c.39, s.19.

**29 Repealed.** 1990-91, c.39, s.19.

## POOLING

**Pooling of interests in drainage unit**

**30(1)** Where two or more separately owned tracts are embraced within a drainage unit, or where there are separately owned interests in all or part of a drainage unit, the owners of those tracts or interests may pool their interests for the development and operation of the unit.

(2) In the absence of voluntary pooling and on the application of any interested person, the minister may:

- (a) make an order that a hearing be held by the board; or
- (b) request the department to review the application.

(3) An application under subsection (2) shall be in writing and shall be accompanied by:

- (a) a proposed pooling plan containing the terms and provisions that the applicant desires to have included in a pooling order;
- (b) such number of copies of the plan as the minister may require; and
- (c) a statement setting forth the reasons why voluntary pooling cannot be effected.

(4) The applicant shall also furnish the minister with such further information and material as he may require.

(5) Upon the recommendation of the board or the department, as the case may be, the minister may make an order pooling all interests within the drainage unit for the development and operation of the unit.

R.S.S. 1965, c.360, s.30; R.S.S. 1978, c.O-2, s.30; 1988-89, c.31, s.11.

**Contents of pooling order**

**31** Every pooling order under section 30 shall provide for:

- (a) the drilling and operation of a well in the drainage unit or, where a well has been drilled in the drainage unit before the making of the order, the operation of that well;
- (b) the payment by the owners of the actual cost of the drilling and operation of the well and the manner in which the payment shall be made, but, where the well has been drilled before the making of the order, the board or the department, as the case may be, shall determine the cost or value to be attributed to the well for the purpose of the pooling order;
- (c) the payment, by an owner who fails within the time specified in the order to pay the portion of the cost of drilling and completing the well payable by the owner pursuant to the order, of the surcharge that may be determined by the board or the department, as the case may be, but not exceeding two times that amount; and
- (d) the allocation to each owner of the owner's share of production from the drainage unit.

R.S.S. 1965, c.360, s.31; R.S.S. 1978, c.O-2, s.31; 1988-89, c.31, s.12; 1990-91, c.39, s.20; 2001, c.26, s.14.

**Recovery of costs from owner who refuses to pool**

**32** Where an owner refuses to pool his interest, his portion of the costs of drilling and operation including any surcharge, as provided for in the pooling order, shall be recoverable only out of his share of production.

R.S.S. 1965, c.360, s.32; R.S.S. 1978, c.O-2, s.32.

**Effect of pooling order**

**33** Where a drainage unit is covered by a pooling order:

- (a) operations incidental to the drilling of a well in any portion of the unit shall for all purposes be deemed to be operations carried on or conducted by the several owners respectively upon their separately owned tracts in the unit;
- (b) that portion of the production allocated to each tract shall be deemed to have been produced from the tract by a well drilled thereon.

R.S.S. 1978, c.O-2, s.33; 1990-91, c.39, s.21.

PART V  
Unit Operation

**Hearing by board and recommendation to minister**

**34(1)** On his own motion or on the written application of any interested person, the minister may order that a hearing be held by the board to consider the need for the operation as a unit of an entire field or pool or a portion of a field or pool.

(2) An application under subsection (1) shall be in writing and shall be accompanied by:

(a) a proposed plan of unit operation containing the terms and provisions that the applicant desires to have included in a unit operation order; and

(b) such number of copies of the plan as the minister may require.

(3) The applicant shall also furnish the minister with such further information and material as he may require.

(4) Following a hearing, the board may recommend to the minister that the field or pool or a portion of the field or pool be operated as a unit.

R.S.S. 1965, c.360, s.34; R.S.S. 1978, c.O-2,  
s.34; 1988-89, c.31, s.13; 1990-91, c.39, s.22.

**Order of Lieutenant Governor in Council for unit operation**

**35(1)** Upon the recommendation of the minister after the hearing, the Lieutenant Governor in Council may order that the field or pool or portion thereof be operated as a unit.

(2) An order made pursuant to subsection (1) is to contain any matters that are specified in the regulations.

(3) **Repealed.** 1990-91, c.39, s.23.

(4) **Repealed.** 1990-91, c.39, s.23.

R.S.S. 1978, c.O-2, s.35; 1990-91, c.39, s.23.

**36 Repealed.** 1990-91, c.39, s.24.

**Property held by operator as trustee**

**37** All property acquired by the operator for the purpose of conducting the unit operation under a unit operation order shall be held by him as trustee and agent for and on behalf of the owners of the working interests as those interests may appear under the unit operation plan, and the order providing for unit operation shall be construed as an operating arrangement and shall not be construed as affecting or transferring title to the property or entitling an owner of a separately owned tract to an undivided interest in all tracts included in the unit area.

R.S.S. 1965, c.360, s.37; 1966, c.66, s.4; R.S.S.  
1978, c.O-2, s.37; 1966, c.66, s.4.

**c. O-2****OIL AND GAS CONSERVATION****Powers and duties of operator**

**38(1)** The operator under a unit operation order shall exercise generally all the powers incidental to the proper conduct and management of the unit operation.

(2) The operator under a unit operation order may contract and may sue and be sued in his own name with respect to the duties, functions and powers imposed or conferred upon him by or pursuant to this Act.

R.S.S. 1965, c.360, s.38; 1966, c.66, s.38; R.S.S. 1978, c.O-2, s.38.

**Operations not in accordance with unit operation order prohibited**

**39** From and after the date on which a unit operation order comes into force, and while the order remains in force, no person shall carry on any operations within the unit area therein described for the purpose of drilling for or producing oil or gas except in accordance with the order.

R.S.S. 1965, c.360, s.39; R.S.S. 1965, c.360, s.39.

**Rehearing by board**

**40(1)** An order under section 35 may provide for a rehearing by the board upon the application of any interested party on or after a future date specified in the order.

(2) On the recommendation of the minister following:

- (a) a rehearing mentioned in subsection (1); or
- (b) an application by the operator with the approval of the unit operating committee;

the Lieutenant Governor in Council may:

- (c) amend or revise a unit operation order in order to supply any deficiency in the order or to meet changing conditions;
- (d) alter or revoke any provision in the unit operation order that the Lieutenant Governor in Council considers to be unfair or inequitable; and
- (e) add any area that the minister believes to be underlaid by the pool or one of the pools underlying the unit area to the unit area described in the unit operation order.

R.S.S. 1965, c.360, s.40; R.S.S. 1978, c.O-2, s.40; 1988-89, c.31, s.14.

**Unit area may include previously established unit area**

**41(1)** An order under section 35 may provide that the unit area established thereby shall include a unit area established by a previous order or agreement for unit operation.

(2) The order, in providing for allocation of unit production from the unit area, shall first treat the previously established unit area as a single tract, and the portion of unit production allocated to the previously established unit area shall then be allocated among the separately owned tracts included in the previously established unit area in the same proportions as those specified in the previous order or agreement for unit operation.

R.S.S. 1965, c.360, s.41; 1966, c.66, s.6; R.S.S. 1978, c.O-2, s.41.

**Effect of unit operation order**

**42** The portion of unit production allocated to a separately owned tract under a unit operation order shall for all purposes be deemed to have been actually produced from that tract, and operations conducted pursuant to a unit operation order shall for all purposes be deemed to be operations carried on or conducted for the production of oil and gas from each separately owned tract in the unit area in the fulfilment of all the express or implied obligations of the owner of the tract or of a producer under each lease and any contract applicable thereto insofar as the same relates to the field, pool or portion thereof covered by the order.

R.S.S. 1965, c.360, s.42; 1966, c.66, s.7; R.S.S. 1978, c.O-2, s.42.

**Further powers of minister**

**43** The Lieutenant Governor in Council may confer upon and vest in the minister any power deemed necessary or advisable to enable him to carry out the provisions of any unit operation order.

R.S.S. 1965, c.360, s.43; R.S.S. 1978, c.O-2, s.43.

**Agreement for unit operation**

**44(1)** Notwithstanding anything in this Part, the owners and any other person having a proprietary interest in the oil or gas in a field or pool or any portion of such field or pool may enter into an agreement for the operation of such field or pool or portion thereof as a unit.

(2) A unit operation agreement entered into under subsection (1) shall set forth a scheme or plan for combining the interests of the owners and other persons having a proprietary interest in the common source of supply of oil or gas in the field or pool or portion thereof.

(3) An executed copy of an agreement for unit operation entered into under subsection (1) shall be filed with the minister prior to the effective date of the unit operation. All amendments to such an agreement shall also be filed with the minister.

1966, c.66, s.8; R.S.S. 1978, c.O-2, s.44.

PART VI  
Practice and Procedure Relating to Hearings

**45 to 51 Repealed.** 1990-91, c.39, s.25.

PART VII  
Miscellaneous

**52 Repealed.** 1990-91, c.39, s.25.

**Address for service**

**53(1)** Every person who is the owner of a well, an upstream facility or any other oil or gas facility or who is a licensee, permittee or holder of a minister's approval under this Act shall register with the department an address in Saskatchewan for service on that person of any notice or order given or made pursuant to this Act or the regulations.

(2) Every person mentioned in subsection (1) who is not a resident of Saskatchewan shall have an agent in Saskatchewan and shall register with the department the agent's name and address in Saskatchewan.

(3) Any document or notice required by this Act, the regulations or an order made pursuant to this Act to be given or served is, unless otherwise provided for, to be mailed by registered mail to the address for service mentioned in subsection (1).

(4) A document or notice served by registered mail is conclusively deemed to have been received on the seventh day following the day of its mailing.

R.S.S. 1965, c.360, s.52; R.S.S. 1978, c.O-2,  
s.53; 1990-91, c.39, s.26; 2001, c.26, s.15; 2007,  
c.7, s.6.

**Immunity**

**53.1** Notwithstanding any other Act or law, no action lies or shall be instituted against the minister, the department, or any officer or employee of the department or any agent of the minister for any loss or damage suffered by a person by reason of anything in good faith done, caused, permitted or authorized to be done, attempted to be done or omitted to be done, by any of them, pursuant to or in exercise of or supposed exercise of any power conferred by this Act or the regulations or in the carrying out or supposed carrying out of any order made pursuant to this Act or any duty imposed by this Act or the regulations.

1990-91, c.39, s.27.

**Recovery of debt owing to the minister**

**53.2(1)** In this section and section 53.5, "**debt owing to the minister**" means any money owing to the minister pursuant to this Act or the regulations, including money to be deposited to the orphan fund.

- (2) Where there is any debt owing to the minister by any person, the minister may:
- (a) certify the amount of the debt, and any penalty or interest owing respecting that amount, in a certificate; and
  - (b) file that certificate at any judicial centre with the local registrar of the Court of Queen's Bench.
- (3) A certificate filed pursuant to subsection (2):
- (a) is to be served, within 30 days after filing, on the person who is the subject of the certificate, but failure to serve the certificate within 30 days does not affect the validity of the certificate; and
  - (b) has the same force and effect as if it were a judgment obtained against the person in the Court of Queen's Bench for the recovery of a debt in the amount specified in the certificate, together with any reasonable costs and charges respecting its filing.

2001, c.26, s.16; 2007, c.7, s.7.

**Collection from third parties**

- 53.3(1)** In this section, “**third party**” means a person who is, or is about to become, indebted to or liable to pay money to a person who is the subject of a certificate filed pursuant to section 53.2.
- (2) Where a certificate has been filed pursuant to section 53.2, the minister may serve a notice of intention on the person who is the subject of the certificate advising that person of the minister's intention to serve a demand on a third party.
- (3) Not sooner than seven days after serving the notice of intention, the minister may serve a demand on a person who is a third party in relation to the person who is the subject of the certificate requiring that all or any part of the money payable by the third party to that person be paid to the minister immediately on it becoming payable to that person.
- (4) A demand does not apply to any amount payable by a third party where that amount is payable:
- (a) after 30 days following the day on which the demand is served; or
  - (b) after a period not greater than six months that the minister may specify in the demand following the day on which the demand is served.
- (5) Payment to the minister by a third party of an amount pursuant to this section discharges the liability of the third party to the person who is the subject of the certificate to the extent of that amount.

(6) Where a third party is served with a demand pursuant to this section and subsequently discharges any liability to the person who is the subject of the certificate or fails to comply with the demand, that third party is liable to the Crown in right of Saskatchewan to the extent of the lesser of:

- (a) the amount of liability discharged to the person who is the subject of the certificate; and
- (b) the amount specified in the demand.

2001, c.26, s.16; 2007, c.7, s.7.

**Service of demand or certificate**

**53.4(1)** A certificate mentioned in section 53.2 and a demand or notice mentioned in section 53.3 may be served personally or by registered mail sent to the last known address of the person being served.

(2) A certificate, demand or notice served by registered mail is deemed to have been received on the seventh day following the day of its mailing unless the person to whom it was mailed establishes that, through no fault of his or her own, it was not received or was received on a later date.

2001, c.26, s.16.

**Processes for collecting debts additional**

**53.5** The processes for the collection of a debt owing to the minister set out in sections 53.2 to 53.4 are in addition to any other means by which a debt may be collected according to law”.

2001, c.26, s.16.

**PART VIII**

**Prohibitions, Offences and Penalties**

**Waste prohibited**

**54** Waste is prohibited and every person who commits waste contravenes this section.

R.S.S. 1965, c.360, s.53; R.S.S. 1978, c.O-2, s.54.

**Permit required to use gas for certain purposes**

**55(1)** No gas shall be used, consumed or otherwise disposed of in the province until a permit authorizing the use, consumption or disposition is granted by the minister.

(2) An application for a permit authorizing the use, consumption or disposition of gas shall be accompanied by evidence that the use, consumption or disposition is for a beneficial purpose and in the public interest.

- (3) A permit granted under this section shall:
- (a) authorize the use, consumption or disposition of the gas for the purpose or purposes specified in the permit; and
  - (b) designate the period for which the permit is granted;

and may be made subject to such other terms and conditions as the minister may specify therein.

- (4) The holder of a permit shall not assign, transfer or otherwise dispose of any right, title or interest, or portion thereof, granted by the permit without the consent in writing of the minister.

R.S.S. 1965, c.360, s.54; R.S.S. 1978, c.O-2, s.55; 1988-89, c.31, s.17.

**Removal of gas by approval of minister**

**56(1)** For the purposes of developing, conserving and managing the gas resources of Saskatchewan, the minister may, on application and after consideration of:

- (a) the extent of current gas reserves in Saskatchewan and the trends in discovery of new reserves;
- (b) the present and reasonably foreseeable future gas consumption and use requirements of Saskatchewan persons;
- (c) Saskatchewan gas volumes committed under previously authorized removal permits;
- (d) the economic benefits to Saskatchewan; and
- (e) the public interest of Saskatchewan;

issue a gas removal permit to an applicant on any terms and conditions that he considers appropriate or amend a gas removal permit.

- (2) The removal of gas from Saskatchewan is prohibited unless a permit authorizing the removal is granted by the minister pursuant to this section.

(3) Notwithstanding subsection (1) and any permit, if in the opinion of the minister emergency conditions exist that create actual or potential shortages of gas for Saskatchewan persons, the minister may, for the purpose of alleviating the conditions, order the diversion of any gas authorized by permit to be removed for as long as the conditions persist.

(4) Every person who applies for a gas removal permit pursuant to this section shall, in addition to providing any other information that the minister may require, submit to the minister contract and market information as described in section 18.2 and in any regulations made pursuant to that section relating to the sale of gas that is the subject of the removal permit.

1988-89, c.31, s.18.

**Suspension of section 55 or 56**

**56.1(1)** In this section, “**permit**” means:

- (a) in the case of a minister’s order pursuant to subsection (2) respecting section 55, a permit granted pursuant to section 55;
  - (b) in the case of a minister’s order pursuant to subsection (2) respecting section 56, a permit granted pursuant to section 56;
  - (c) in the case of a minister’s order pursuant to subsection (2) respecting both sections 55 and 56, a permit granted pursuant to section 55, section 56 or both sections 55 and 56.
- (2) The minister may, by order, suspend the requirements and the operation of section 55, section 56 or both sections 55 and 56.
- (3) A permit that was in force on the day an order was made pursuant to subsection (2) continues in force, but the person who, on the day the order comes into force, holds the permit is not required to comply with the terms and conditions of the permit while the order is in force.
- (4) If the minister rescinds an order made pursuant to subsection (2):
- (a) a permit that was in force on the day the order was made continues in force after the rescinding of the order, subject to the terms and conditions of the permit, unless the holder of the permit has voluntarily cancelled or surrendered the permit to the minister or the permit has expired; and
  - (b) the holder of the permit may rely on the permit without having to obtain a new permit.

1998, c.30. s.4.

**Sale, etc., of illegal oil or gas prohibited**

**57** The sale, purchase, acquisition, transportation, processing or handling of illegal oil or illegal gas produced from any well or of any product derived from such oil or gas is prohibited.

R.S.S. 1965, c.360, s.56; R.S.S. 1978, c.O-2, s.57.

**Forfeiture**

**58(1)** The minister may order that any illegal oil, illegal gas or illegal products or the proceeds from the disposition of illegal oil, illegal gas or illegal products be forfeited to the Crown in right of Saskatchewan.

(2) In an order pursuant to subsection (1), the minister may direct a producer to deliver immediately to the minister:

- (a) the illegal oil, illegal gas or illegal product that is forfeited; or

(b) where the producer is no longer in possession of the illegal oil, illegal gas or illegal product:

- (i) oil, gas or product in a quantity and quality that is equivalent to that of the illegal oil, illegal gas or illegal product that is forfeited; or
- (ii) the proceeds of disposition of the illegal oil, illegal gas or illegal product or an amount equivalent to the proceeds of disposition.

1990-91, c.39, s.28.

**Penalties for contravention of Act or regulations, etc.**

**59(1)** Every person who:

- (a) contravenes, directly or indirectly, any provision of this Act or of any regulation or order made thereunder; or
- (b) either alone or in conjunction with others, causes any person to contravene, directly or indirectly, any provision of this Act or of any regulation or order made thereunder; or
- (c) instructs, orders or directs any person to contravene, directly or indirectly, any provision of this Act or of any regulation or order made thereunder;

is guilty of an offence and liable on summary conviction to a fine not exceeding \$50,000 and in the case of a continuing offence to a further fine not exceeding \$50,000 for each day during which the offence continues.

(2) In this section, “**order**” includes an order of the minister or the board made in the exercise of an authority given by this Act or the regulations.

R.S.S. 1965, c.360, s.58; R.S.S. 1978, c.O-2, s.59; 1990-91, c.39, s.29.

**False statements, omissions, etc.**

**60** Every person who:

- (a) wilfully makes or causes to be made any false entry or statement in any report, record, account or memorandum required by this Act or any regulation or order made thereunder; or
- (b) wilfully omits or causes to be omitted full, true and correct entries from any report, record, account or memorandum required by this Act or any regulation or order made thereunder; or
- (c) wilfully destroys, mutilates, alters, falsifies or removes from the province any report, record, account or memorandum required by this Act or any regulation or order made thereunder, or wilfully causes any such report, record, account or memorandum to be so destroyed, mutilated, altered, falsified or removed from the province;

is guilty of an offence and liable on summary conviction to a fine not exceeding \$5,000 or to imprisonment for a term not exceeding six months, or to both such fine and imprisonment, and in the case of a corporation to a fine not exceeding \$50,000.

R.S.S. 1965, c.360, s.59; R.S.S. 1978, c.O-2, s.60; 1990-91, c.39, s.30.

**Offence**

**60.1** Every person summoned as a witness pursuant to subsection 7.5(5) who refuses or fails to:

- (a) attend;
- (b) answer questions;
- (c) produce documents, records, books, data, plans, maps, specifications, drawings, samples or other property or things;

is guilty of an offence and liable on summary conviction to a fine not exceeding \$5,000.

1990-91, c.39, s.31.

**Obstruction of minister, etc., in exercise of powers**

**61** Every person who:

- (a) obstructs, hinders or interferes with the minister or any person authorized by him in the exercise of any of the powers conferred by or pursuant to this Act, the regulations or an order made pursuant to this Act; or
- (b) without reasonable excuse fails to assist the minister or any such person when called upon by him to assist in the exercise of any of such powers;

is guilty of an offence and liable on summary conviction to a fine of not more than \$5,000.

R.S.S. 1965, c.360, s.60; R.S.S. 1978, c.O-2, s.61; 1990-91, c.39, s.32.

**Prosecution does not bar action for damages**

**62** A prosecution under this Act shall not deprive any person suffering damage or injury of any cause of action he may have.

R.S.S. 1965, c.360, s.61; R.S.S. 1978, c.O-2, s.62.

**Action for injunction**

**63** Notwithstanding any prosecution under this Act, the minister may commence and maintain an action to enjoin the committing of waste or the violating of any order or regulation made under this Act.

R.S.S. 1965, c.360, s.62; R.S.S. 1978, c.O-2, s.63.

**Effect of payment of penalty and of forfeiture**

**64** The payment of a penalty shall not operate to legalize any oil, gas or product involved in the violation in respect of which the penalty is imposed; and the payment of a penalty or the forfeiture of any oil, gas or product shall not relieve a person from liability to any other person for damages arising out of the violation in respect of which the penalty is imposed or the forfeiture is incurred.

R.S.S. 1965, c.360, s.63; R.S.S. 1978, c.O-2, s.64.

**Remedies for enforcement of regulation or order**

**65** Where the minister has more than one remedy for the enforcement of any regulation or order or for the payment of any money payable pursuant to any regulation or order made under this Act, the minister may resort to any or all such remedies from time to time as he may deem proper, either concurrently or successively, until such time as the regulation or order has been complied with or the money payable thereunder together with all costs and expenses has been fully paid and satisfied.

R.S.S. 1965, c.360, s.64; R.S.S. 1978, c.O-2, s.65.

**Editorial Appendix**

**Sections 3 to 5 of *The Oil and Gas Conservation Amendment Act, 1993*, being chapter 35 of the *Statutes of Saskatchewan, 1993*, provide for transitional application of this Act as follows:**

**TRANSITIONAL****“Winding-up of Oil and Gas Revolving Fund**

3(1) In this section and in sections 4 and 5, “**revolving fund**” means the Oil and Gas Revolving Fund established pursuant to section 20.2 of *The Oil and Gas Conservation Act* as that section existed prior to the coming into force of this Act.

(2) All assets and liabilities of the revolving fund are transferred at their book value to the consolidated fund.

(3) The revolving fund ceases to exist after March 31, 1993.

(4) All assets and liabilities of the revolving fund as of March 31, 1993 become the assets and liabilities of the consolidated fund as of April 1, 1993.

(5) After March 31, 1993:

(a) all assets, revenues and liabilities accruing to the revolving fund are deemed to have accrued to the consolidated fund;

(b) all deposits made to the revolving fund are deemed to have been made to the consolidated fund; and

(c) all payments made from the revolving fund are deemed to have been appropriated from and made from the consolidated fund.

**“Transitional – annual report**

4(1) Notwithstanding the repeal of Part III.1 of *The Oil and Gas Conservation Act*, the Department of Energy and Mines, in accordance with *The Tabling of Documents Act*, 1991, shall prepare and submit to the Minister of Energy and Mines a financial statement showing the business of the revolving fund for the fiscal year ending March 31, 1993.

(2) The financial statement is to be in a form required by Treasury Board.

(3) In accordance with *The Tabling of Documents Act, 1991* the Minister of Energy and Mines shall lay the financial statement before the Assembly.

**“Transitional – audit**

**5** Notwithstanding the repeal of Part III.1 of *The Oil and Gas Conservation Act*, the Provincial Auditor shall audit the accounts and transactions of the revolving fund for the fiscal year ending on March 31, 1993.”

(b) to pay for all expenses relating to the establishment and operation of the board pursuant to sections 7 to 7.9;

(c) to pay for all expenses relating to the administration of the revolving fund”.

1993, c.35, s.3 to 5.

**Section 33 of *The Oil and Gas Conservation Amendment Act, 1991*, being chapter 39 of the *Statutes of Saskatchewan, 1990-91*, provides for transitional application of this Act as follows:**

**“Transitional****33 If:**

(a) a payment is made out of the consolidated fund on or after April 1, 1991; and

(b) the payment mentioned in clause (a) would have been a prescribed expense if:

(i) it is within the scope of regulations that are:

(A) made pursuant to subclause 20.9(a)(i) of *The Oil and Gas Conservation Act* as being enacted by this Act; and

(B) made retroactive on and from April 1, 1991;

the payment is deemed to be a payment made on behalf of the Oil and Gas Revolving Fund pursuant to section 20.4 of *The Oil and Gas Conservation Act*, as being enacted by this Act”.

1990-91, c.39, s.33.