

CROWN MINERAL ACTIVITY (CMA) AUTHORIZATION APPLICATION REQUIREMENTS FOR NEW DISPOSAL OPERATION REQUESTS IN UNDISPOSED CROWN RIGHTS

A new disposal operation into undisposed Crown mineral rights requires Crown authorization. CMA applications are submitted via the Electronic Transfer System.

Application Conditions

- The mineral rights for the lands requested cannot be subject to a PNG or oil sands agreement or zones that are pending sale or disposition. Alberta Energy may issue Crown authorizations in other scenarios as it considers appropriate.
- The applicant must be the well licensee. If the well licensee is transferred or otherwise changes during the application and review process, the application will be rejected and the new well licensee will need to apply.
- An application for Crown authorization for disposal purposes will only be considered if the following information is provided in a form satisfactory to the Minister. Incomplete CMA application submissions will be returned to the applicant as rejected, without further consideration. Should this occur, the applicant will need to re-apply.

Application Requirements

- Submit one CMA application for each planned disposal well quoting the most *probable* Unique Well Identifier.
- Identify if the planned disposal well(s) will be a new drill or a conversion/re-purpose/re-activation of an existing wellbore.
 - Indicate if you intend to re-enter a Crown vested abandoned wellbore.
 - For horizontal wells, identify the surface location and all undisposed Crown land located across the disposal interval (noting all impacted LSDs).
- Include a business case and geological discussion that addresses the reason and need for the disposal request, along with the following supporting information:
 - Describe the need for disposal as it relates to production.
 - Specify the origin of the fluid to be disposed of and estimated volumes.
 - Clear and concise timelines for licensing and commencement and duration of disposal.
 - Specify what, if any, excess disposal capacity exists in the surrounding area.
 - Describe the relationship to any existing infrastructure, with particular emphasis on disposal operations.
 - Provide an estimated cost of well and infrastructure.
 - A brief overview of potential surface implications (e.g., road construction, infrastructure, traffic volume).
 - Confirm the intended formation is non-hydrocarbon bearing and describe how the planned activities will not adversely affect the recovery of any mineral as defined per section 1(1) of the *Mines and Minerals Act* (MMA).

- Other related data or discussion material that illustrates how these plans are in the best interest of Crown mineral development and ultimately the people of Alberta.
- The above represents key information requirements. Additional information, specific to the proposal or information supporting it, may be required once Alberta Energy has had an opportunity to review the information initially submitted.

Technical Requirements

- Provide a data package with information that supports the formation is suitable for the substance and volumes to be disposed. The data must demonstrate that the disposal activities will not have a detrimental impact to any recoverable or potentially recoverable minerals. Examples would include:
 - Pertinent geological mapping (Isopach, structure, Sw, etc.)
 - Disposal records (recent volumes/charts/tables, etc.)
 - Cross-sections
 - Logs with marked formation tops
 - Completion reports
 - Core Analysis
 - Directional Survey
 - Fluid compatibility testing report

Information

Alberta Energy's decision process includes a review of both the technical information and supporting business case. The issuance of Crown authorizations under section 54(5) of the MMA is discretionary and as such cannot be appealed under the MMA.

Crown authorizations do not convey an exclusive right to the formation, are not transferable and may be revoked at any time.

Any activity conducted without Crown authorization may be reviewed for trespass as a contravention of section 54(1) of the MMA.

Operators must obtain approval from the AER for a disposal scheme under the *Oil and Gas Conservation Act*. Issuance of a Crown authorization in no way influences AER decisions regarding disposal approvals nor does it predetermine the outcome of any such application to the AER.

Questions regarding application requirements can be directed to WellAdmin.Energy@gov.ab.ca.