OROGO CHANGE OF PIPELINE AND WELL OWNERSHIP POLICY

Purpose

This policy outlines the Office of the Regulator of Oil and Gas Operations (OROGO) approach to change of ownership for pipelines and oil and gas wells. It provides information on:

- Changing the ownership of pipelines and associated infrastructure;
- Notifying OROGO of a change in well ownership;
- Operating Licence requirements for new well owners;
- Operations Authorizations for new well owners; and
- · Requirements for abandoned wells.

Objectives

OROGO's change of pipeline and well ownership policy has the following objectives:

- 1. The Regulator is notified of any changes in ownership of wells:
- Operators are aware that the Regulator must approve any changes in ownership of pipelines and associated infrastructure;
- Operators understand OROGO's information requirements for changes in ownership of wells; and
- 4. New well owners understand the requirements for an Operating Licence and an Operations Authorization.

Changing Ownership of Pipelines and Associated Infrastructure

Section 7 of the *Oil and Gas Operations Act* (OGOA) requires that the Regulator approve any changes in ownership for pipelines, including gathering systems, and associated infrastructure.

The owner of the pipeline and associated infrastructure must apply to the Regulator in writing for approval to:

- Sell, transfer or lease a pipeline, in whole or in part;
- Purchase or lease any pipeline from any person;
- Enter into an agreement for amalgamation with any person; or
- Abandon the operation of a pipeline.



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Notification of Change in Well Ownership

Owners must notify OROGO within 30 days of change of well ownership.

Notification should include the following:

- Well Name;
- Well ID;
- Name of previous owner;
- Name of new owner;
- Date of change of ownership; and
- Proof of Operating Licence for new owner or application for Operating Licence (see below).

These notification requirements replace the Application to Change a Well Name form.

Operating License Requirement

If a new well owner does not already hold an Operating License, the new owner must apply to the Regulator for an Operating License.

Section 10 of OGOA outlines the requirements for Operating Licenses:

- All operators have to apply and obtain an Operating License in order to conduct any oil and gas operation;
- Operating Licenses expire on March 31 and can be renewed for successive periods of one year each; and
- Operating Licenses are subject to any requirements that the Regulator determines necessary.

Information on the requirements to apply for an Operating License can be found at: https://www.orogo.gov.nt.ca/en/operating-licences.

Operations Authorization

Operations Authorizations cannot be transferred from one well owner to another.

A new well owner must apply for an Operations Authorization to conduct any work on a well, including maintenance and inspections.

Abandoned Wells

Wells that are abandoned do not require an Operations Authorization, unless the new owner needs to conduct work on the well, including inspections and repairs.



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