



**Affaires autochtones et
Développement du Nord Canada**

**Aboriginal Affairs and
Northern Development Canada**



Aboriginal Affairs and Northern Development Canada Role in Oil and Gas Management in Nunavut

Nunavut Oil and Gas Summit – January 13, 2015

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Natural Resources and Environment Branch



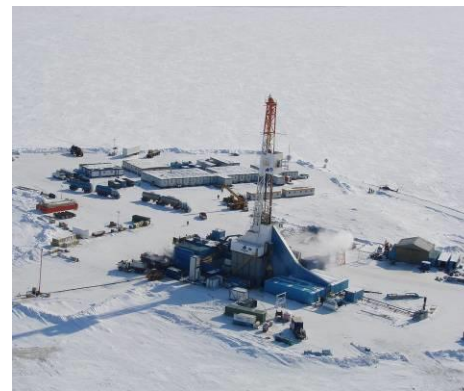
AANDC objectives for this presentation and Summit

- Explain the role of AANDC in oil and gas
- Update current status of Strategic Environmental Assessment
 - Including summary of What We Heard from Feb 2014 Community Visits
- Learn, hear views, get ideas to better define best way to proceed
- Continue to build relationships



Northern Legislative Framework

- Two primary statutes govern oil and gas management in the Arctic offshore (and on Crown lands in NWT and Nunavut):
 - **Canada Petroleum Resources Act (CPRA)**
Administered by the Minister of Aboriginal Affairs and Northern Development Canada (AANDC) north of 60
 - **Canada Oil and Gas Operations Act (COGOA)**
Administered by the National Energy Board
- Administrative separation between policy, land management and royalty mandate of AANDC and the technical, regulatory and advisory roles of the National Energy Board





Roles and Responsibilities

- Aboriginal Affairs and Northern Development Canada (AANDC) is the **land manager** for northern **offshore** oil and gas, including Baffin Bay / Davis Strait. This means that:
 - AANDC issues **licences** for exploration and development in the Arctic offshore.
 - Oil and gas **operations**, including seismic surveys, exploration and production drilling, must be approved by the National Energy Board, and by the Nunavut Impact Review Board within the Nunavut Settlement Area.
 - Seismic companies do not need licences from AANDC to operate, but they do require approval from the NEB. AANDC and NRCan Ministers also must approve **Benefit Plans** for these projects
 - Drilling for, and production of, oil and gas is not possible until AANDC makes the **decision to open the region to licensing, and approvals are obtained from NEB and/or NIRB.**





AANDC Northern Oil and Gas Mandate

- 1) govern the allocation of federal Crown lands to the private sector for oil and gas exploration
- 2) assess and collect royalties
- 3) approve benefit plans before activities take place
- 4) develop the regulatory environment
- 5) participate in the advancement of Arctic scientific research





Northern Land Tenure and Rights Management for Exploration Licences

Typical Rights Issuance process and steps.

Step 1 - Consultations

- Community input, traditional knowledge and scientific research engages partners and informs potential call area decisions

Step 2 - Call for Nominations

- Enables industry to identify areas of interest

Step 3 - Call for Bids

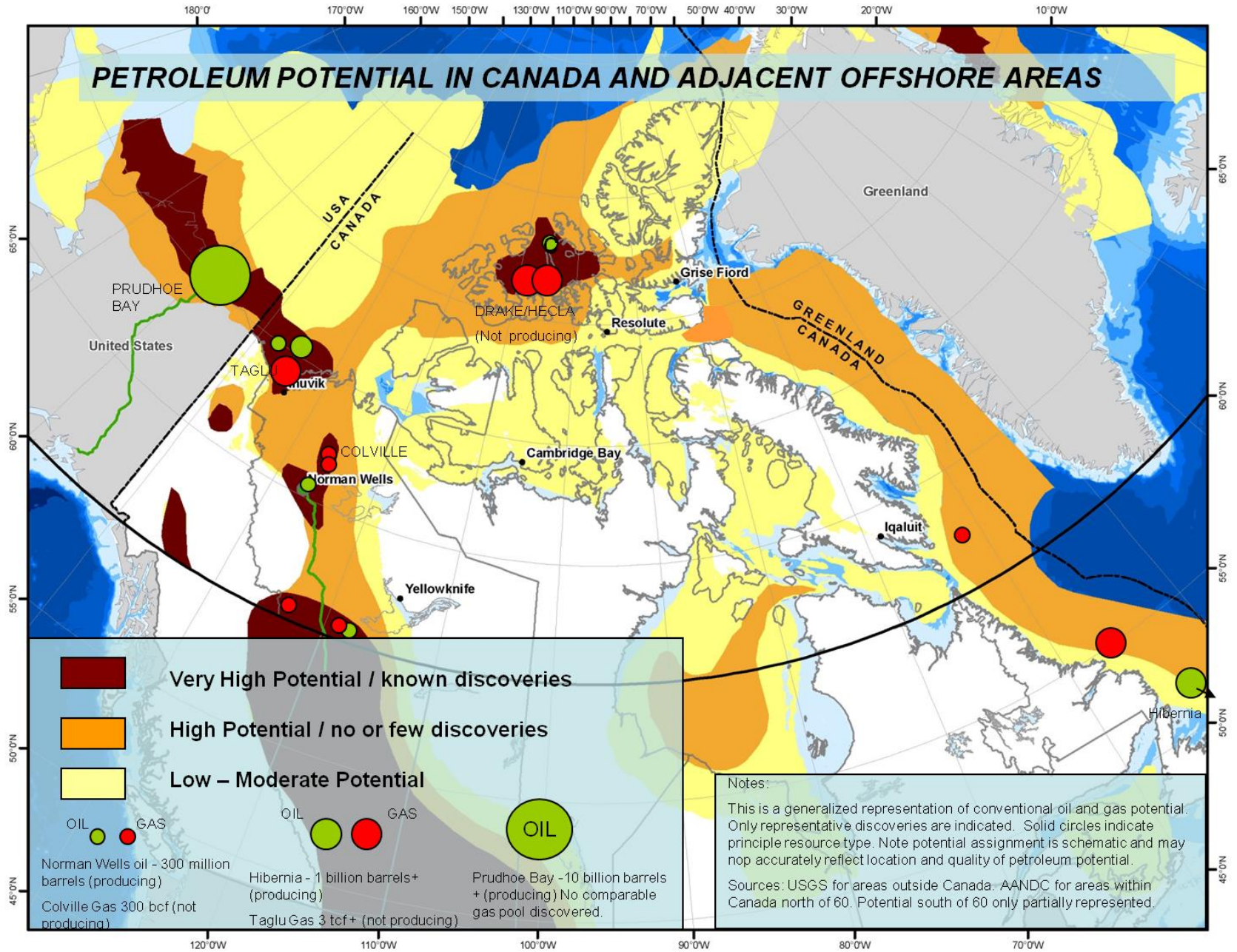
- Parcels open for competitive bids; Auction like process

Step 4 - Rights Issuance

- Exploration Licence awarded to the company that proposes the highest work expenditure bid
- Subject to the CPRA and the COGOA, the Licence confers the exclusive right to drill and test for petroleum



PETROLEUM POTENTIAL IN CANADA AND ADJACENT OFFSHORE AREAS



- Exploration Licence / permis de prospection
- Significant Discovery Licence / attestation de découverte importante
- Production Licence / licence de production
- Subsurface and surface owners are Aboriginal / les autochtones sont propriétaires de la surface et du sous-sol
- Surface owners are Aboriginal / les autochtones sont propriétaires de la surface
- Parks / Parcs

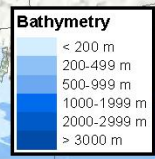
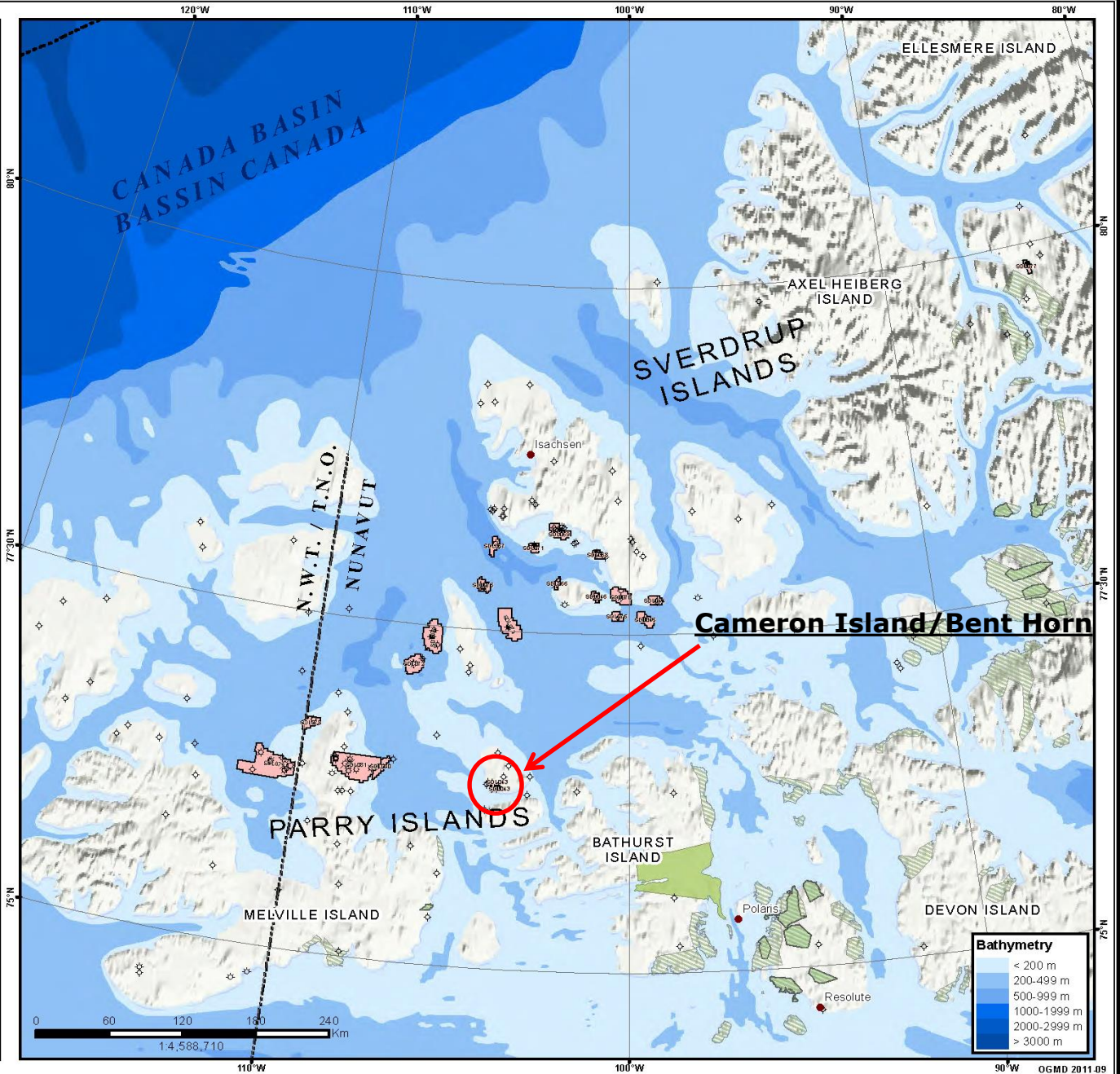
Wells / puits

- Proposed or Drilling projeté ou en cours
- Oil Discovery découverte de pétrole
- Gas Discovery découverte de gaz
- Oil & Gas Discovery découverte de gaz et pétrole
- Oil Show trace de pétrole
- Gas Show trace de gaz
- Oil & Gas Show trace de pétrole et de gaz
- Oil, Gas, or Water Injection injection de pétrole, de gaz, ou d'eau
- Suspended suspendu
- Abandoned abandonné
- Oil Suspended / Abandoned pétrole suspendu / abandonné
- Gas Suspended / Abandoned gaz suspendu / abandonné
- Oil & Gas Suspended / Abandoned pétrole et gaz suspendu / abandonné

well symbols in red indicate recent drilling / les symboles de puits en rouge indiquent un forage récent

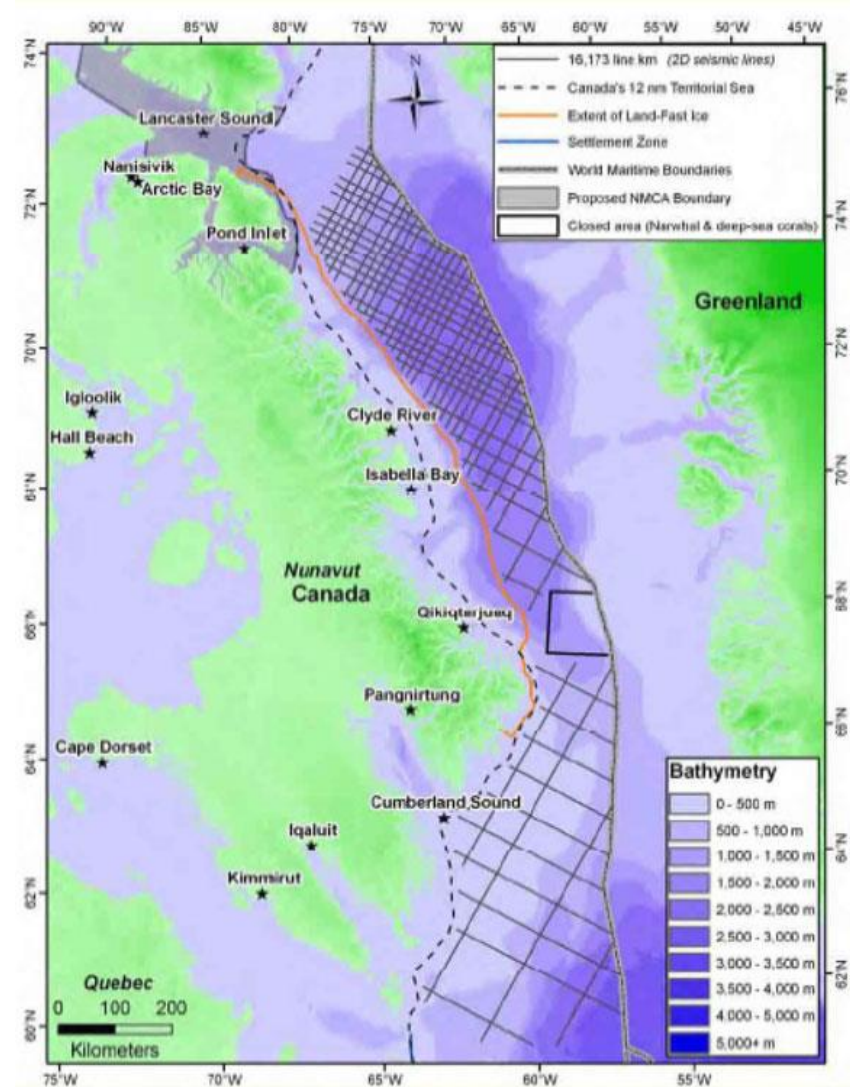


#	Rep	Ha
SDL043	Suncor Energy Inc.	612
SDL044	Suncor Energy Inc.	7163
SDL045	Suncor Energy Inc.	10578
SDL046	Suncor Energy Inc.	4671
SDL066	BP Canada Energy Resources Company	3548
SDL067	Suncor Energy Inc.	8198
SDL068	Suncor Energy Inc.	5721
SDL069	Suncor Energy Inc.	12347
SDL070	Suncor Energy Inc.	18130
SDL071	Suncor Energy Inc.	5347
SDL072	Suncor Energy Inc.	18389
SDL073	Suncor Energy Inc.	32169
SDL074	Suncor Energy Inc.	32785
SDL075	Suncor Energy Inc.	6112
SDL076	Suncor Energy Inc.	8758
SDL077	Suncor Energy Inc.	4276
SDL078	Suncor Energy Inc.	9856
SDL079	Suncor Energy Inc.	70784
SDL080	Suncor Energy Inc.	10355
SDL081	Suncor Energy Inc.	63083



Exploration Activity in Baffin Bay

- On 8 January 2011, MKI filed a preliminary project description with the National Energy Board for the purpose of conducting a two dimensional offshore seismic program in the Baffin Bay and Davis Strait area.
- The whole review process was completed on the 26th of June 2014 when the NEB approved a Geophysical Operations Authorization application to conduct the seismic survey over five years during the open water season. Litigation launched soon afterwards.
- In a letter addressed to the NEB dated July 16, 2014, MKI states that it is postponing the work, which was supposed to start this year, until the summer of 2015.

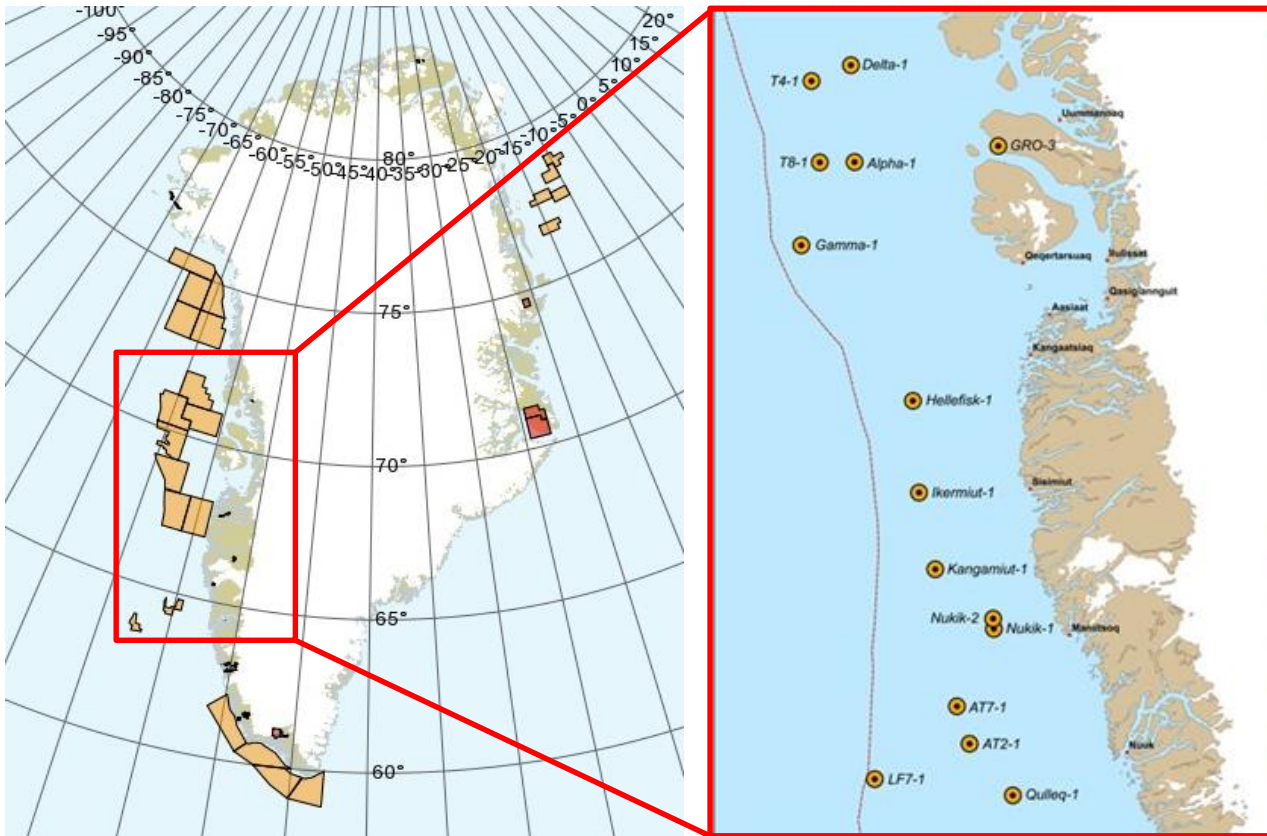


Source: COGOA EA NEB report



Offshore oil and gas exploration in Greenland

Exploration Wells in Greenland



Below is a list of the exploration wells conducted in Greenland. Click on each well to get more information about the specific well, or click on the markings on the map to get information about the specific well.

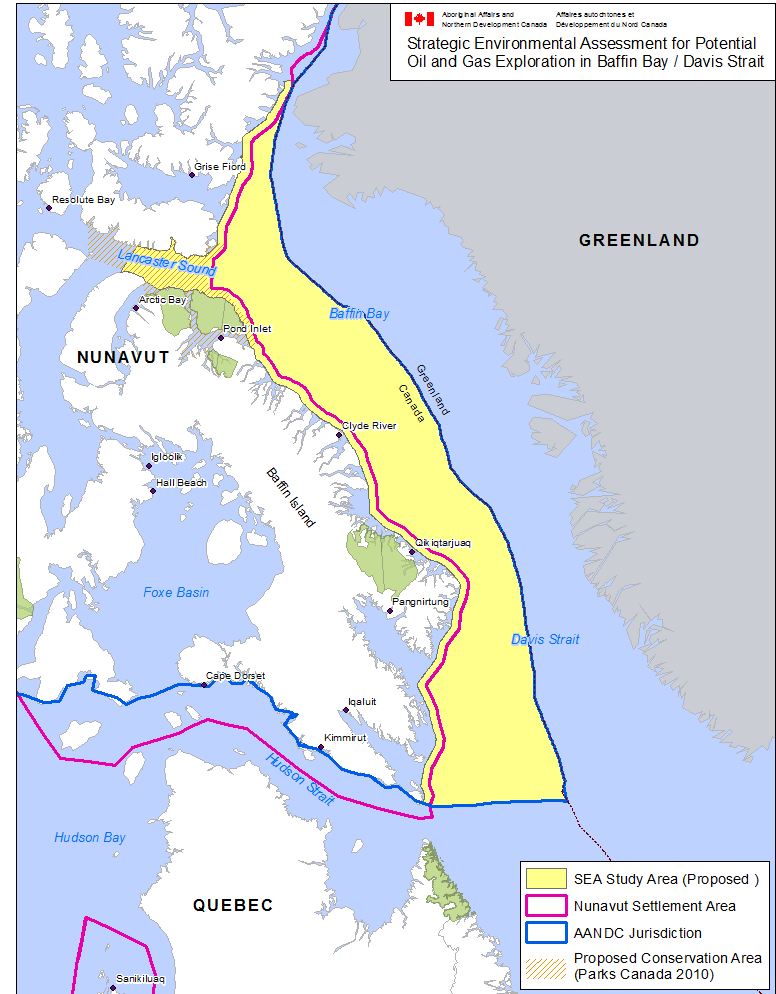
- [Hellefisk-1](#)
- [Ikermiut](#)
- [Kangamiut-1](#)
- [Nukik-1](#)
- [Nukik-2](#)
- [Qulleq-1](#)
- [T8-1](#)
- [T4-1](#)
- [Alpha-1/Alpha-S1](#)
- [GRO-3](#)
- [Gamma-1](#)
- [Delta-1](#)
- [AT2-1](#)
- [AT7-1](#)
- [LF7-1](#)

<http://www.govmin.gl/petroleum>



Strategic Environmental Assessment (SEA)

- Purpose: Inform a ministerial decision around inviting oil and gas companies to bid on land for exploration rights in Canada's Eastern Arctic offshore
 - Minister of AANDC has publicly committed to undertake an SEA before a decision on plans for a call for bids for exploration licences
- Approach:
 - AANDC leads SEA and defines scope, in partnership and through engagement with local Inuit, territorial, and federal stakeholders



NPMRB - NAO 2014-01-20



Background

- Two years of engagement with local Inuit, territorial, federal government and non-government organizations since 2012, to discuss concept of SEA and seek feedback on plans, including:
 - 2012: Multi-stakeholder workshop around Nunavut Petroleum Workshop to present early thinking on SEA
 - 2013: Meetings with community organizations in 5 Baffin communities to introduce AANDC's plans to develop an SEA
 - 2014: In partnership with Qikiqtani Inuit Association and Government of Nunavut, meetings with public and community organizations in 10 Baffin communities to outline how we hope to work with communities to develop an understanding of the environment and to help develop recommendations to Minister of AANDC





Considerations

- Government of Canada named in Judicial Review that was launched in July following National Energy Board decision to authorize MKI seismic program.
 - AANDC involvement primarily due to Minister's role in approving the project's Benefits Plan.
 - **Litigation is not expected to alter plans to proceed with the SEA.**
- Looking to advance SEA work in collaboration with stakeholders who are also interested in community engagement related to the seismic project and oil and gas activities.
 - SEA is a long-term initiative that is expected to take 2-4 years.
 - Working with QIA already; ramping up collaboration with GN and exploring options to have different (more visible and possible lead) role for NIRB in SEA.



Next steps

- Continue to work with all stakeholders on further developing the scope and governance of the SEA
- Incorporate comments received at this meeting into the SEA
- Please share your ideas, your comments, and your concerns with us

Thank You



Questions?

Contact information

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