

30 August 2016

Cheryl McNeil
Senior Policy Advisor
Natural Resources Canada
By Email: Cheryl.mcneil@canada.ca

Re: IAGC & CAGC Comments on Proposed Policy Intentions for Phase 2 of the Frontier and Offshore Regulatory Renewal Initiative (FORRI)

Dear Ms. McNeil:

The International Association of Geophysical Contractors (“IAGC”) and the Canadian Association of Geophysical Contractors (“CAGC”) (together, the “Associations”) appreciate the opportunity to comment on Phase 2 of the Frontier and Offshore Regulatory Renewal Initiative (“FORRI”).

The IAGC is the international trade association representing all segments of the geophysical industry, including companies that provide geophysical services, data acquisition, data ownership and licensing, data processing and interpretation, and associated services and products to the oil and natural gas industry. The CAGC is the trade association representing companies that do seismic work in the Canadian energy upstream oil and gas industry. The Associations’ member companies play an integral role in the successful exploration and development of onshore and offshore hydrocarbon resources through the acquisition and processing of geophysical data.

The Associations support modernizing and streamlining the regulations for onshore and offshore oil and gas exploration and development in Canada. We understand that the Boards will continue to be responsible for the management and implementation of regulation of oil and gas activities. However, individual Boards’ interpretation of regulations may not align with the policy intent of FORRI, especially where the initiative’s intent is not specific, but ambiguous. This concern is addressed in specific comments regarding the proposed sections 14.23 *Final Geoscientific, Geotechnical or Environmental Program Data Reporting* and 14.25 *Retention of Geophysical Data* below, pertaining to the Boards’ application of the initiative rather than the initiative itself.

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Section 14.23 *Final Geoscientific, Geotechnical or Environmental Program Data Reporting*

The FORRI proposed language regarding submission of data is ambiguous and will lead to the regulators making their own interpretations of what data submissions are required. For example, there is no reference to TIFF files. Paper copies of the TIFF files is the only data that can currently be released by the regulators when a survey goes open file, and the industry has opposed release of SEG Y data, for example, by Boards.

Most recently, IAGC provided comments to Nova Scotia and Newfoundland-Labrador Provinces on their latest efforts to revise the land tenure policies for eastern offshore Canada. Currently, the provinces require—and the Associations support—the release of TIFF images of multi-client seismic data acquired, not final processed data, at the expiry of a 10-year confidentiality period. Paper copies of the TIFF images are currently the only form of data that is released after 10 years and therefore prolongs the sales profile of the data. If the Provinces or Boards require the release of processed data, then the Associations request a minimum confidentiality period of 20 years.

In addition, it is unclear what form 14.23 (4.d) “a final processed 3D volume and each line generated from that volume in time and depth” requires, but the Associations understand this to mean “as applied” and an operator will not be expected to deliver processed data in depth if this was not a final product. An un-decimated 3D volume of the final processed data is currently required by the Boards, but interpretations are not required for multi-client data. Contractors do not typically process the data to depth and likewise do not typically provide interpretation of any kind.

Section 14.25 *Retention of Geophysical Data*

To our knowledge it was not a previous requirement for an operator to ensure that all field and final processed data are retained in Canada in digital format. Operators of multi-client surveys will supply the required data to the relevant Board, but should not be required to hold all the other digital data (field and final processed data) in Canada, as currently proposed in section 14.25.1.

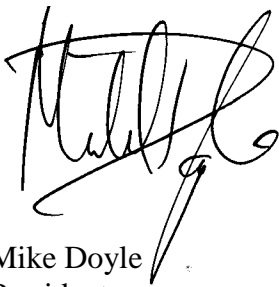
In addition, the statement in section 14.25.2 that the Chief Conservation Officer may require an operator to supply the information and materials referred to in subsection (1) in a form and manner determined by the Chief Conservation Officer is too open and needs to be more prescriptive or removed.

Thank you again for the opportunity to comment on Phase 2 of the FORRI. Should you wish to discuss our submission in more detail, please do not hesitate to contact us.

Yours sincerely,



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