Régie takes into account the volumes stated for its fiscal year preceding 31 March for the purposes of section 85.31 of the Act.

The duty payable by each distributor of a form of energy is the product of the rate multiplied by the volumes referred to in the first paragraph attributable to the distributor.

2. The annual duty payable by the electric power carrier for the fiscal year ending on 31 March 2010 corresponds to the adjusted expenditure estimates of the Régie in that regard and modified according to the remuneration established in the agreement authorized by the Gouvernement du Québec under section 85.4 of the Act respecting the Régie de l'énergie for the same fiscal year.

The annual duty payable by the electric power carrier for each subsequent fiscal year corresponds to the adjusted expenditure estimates of the Régie in that regard.

For the purposes of the first two paragraphs, the adjusted expenditure estimates correspond to the difference between the expenditure estimates of the Régie as relate to the electric power carrier, as approved by the Government for the current fiscal year, and the accumulated surplus as relates to the electric power carrier at the end of the preceding fiscal year, and presented as supplementary information to the audited financial statements of the Régie.

3. The duty payable by electric power or natural gas distributors and by the electric power carrier is payable in equal instalments on the first day of each month.

The amount of the last monthly instalment continues to apply until the last day of the month during which the expenditure estimates are adjusted as provided in the second paragraph of section 1 and the third paragraph of section 2. Any overpayment of or amount owing on the duty payable to the Régie for the fiscal year is to be equally apportioned over the remaining monthly instalments.

The annual duty payable by petroleum products, fuel or steam distributors is payable in one instalment on the first day of the month following the month in which the expenditure estimates are adjusted as provided in the second paragraph of section 1.

- **4.** The following are exempt from the application of this Regulation:
- (1) distributors of petroleum products other than distributors that refine in Québec, trade with a refiner in Québec or bring into Québec more than 100 million litres of gasoline or diesel fuel per year intended for consumption in Québec;

- (2) distributors of propane, coal and petroleum coke;
- (3) owners or operators, except the electric power carrier, referred to in paragraph 2 of section 85.3 of the Act: and
- (4) a legal person or partnership referred to in subparagraph 2 of the first paragraph of section 85.33 of the Act.
- **5.** Despite the third paragraph of section 3, the annual duty payable by a fuel distributor, for the fiscal year 2009-2010, is payable in one instalment on the fifteenth day following the sending of a notice of payment by the Régie.
- **6.** Any outstanding amount on the duty bears interest at the rate determined in accordance with the first paragraph of section 28 of the Act respecting the Ministère du Revenu (R.S.Q., c. M-31). The interest is capitalized monthly.
- **7.** This Regulation replaces the Regulation respecting the annual duty payable to the Régie de l'énergie made by Order in Council 736-2004 dated 28 July 2004.
- **8.** This Regulation comes into force on the fifteenth day following the date of its publication in the Gazette officielle du Québec.

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Gouvernement du Québec

O.C. 1381-2009, 21 December 2009

Mining Act (R.S.Q., c. M-13.1)

Petroleum, natural gas, brine and underground reservoirs

— Amendments

Regulation to amend the Regulation respecting petroleum, natural gas, brine and underground reservoirs

WHEREAS, under sections 306, 310 and 313 of the Mining Act (R.S.Q., c. M-13.1), the Government made the Regulation respecting petroleum, natural gas, brine and underground reservoirs by Order in Council 1539-88 dated 12 October 1988;

WHEREAS it is expedient to amend the Regulation to take into account the amendments made to the Mining Act by chapter 24 of the Statutes of 1998;

WHEREAS, under section 157 of the Act to amend the Mining Act and the Act respecting the lands in the public domain, the first regulation replacing or amending the Regulation respecting petroleum, natural gas, brine and underground reservoirs approved by Order in Council 1539-88 following the adoption of that Act is not subject to the publication requirement set out in section 8 of the Regulations Act (R.S.Q., c. R-18.1);

IT IS ORDERED, therefore, on the recommendation of the Minister of Natural Resources and Wildlife:

THAT the Regulation to amend the Regulation respecting petroleum, natural gas, brine and underground reservoirs, attached to this Order in Council, be made.

GÉRARD BIBEAU, Clerk of the Conseil exécutif

Regulation to amend the Regulation respecting petroleum, natural gas, brine and underground reservoirs*

Mining Act (R.S.Q., c. M-13.1, ss. 306, pars. 1, 2, 3 to 5, 14 to 21 and 31, 306, pars. 2.1 and 10, 306.1, 310 and 313; 1998, c. 24)

1. The Regulation respecting petroleum, natural gas, brine and underground reservoirs is amended by striking out ", brine" in its title.

2. Section 1 is amended

- (1) by adding "in particular" after "including" in the definition of "drilling rig";
- (2) by replacing "part" in the definition of "mechanical packer" by "a zone";
- (3) by inserting the following definition after the definition of "delineation well":

""drilling mud" means an aqueous fluid used when drilling to cool and lubricate the bit, remove cuttings, maintain the walls of the hole and balance by its own weight the pressure of the fluids contained in the rock or sediments drilled; (boue de forage)";

(4) by replacing "physical" in the definition of "wireline log" by "petrophysical";

- (5) by adding "an opening toatmospheric pressure and" after "allowing" in the definition of "drill-stem test":
- (6) by replacing "properties of the rock and the fluids" in the definition of "delineation well" by "petrophysical properties of the reservoir that contains it";
- (7) by replacing the definition of "artificial underground reservoir" by the following;

""artificial underground reservoir" means any cavity resulting from excavation, regardless of the excavation method used; (réservoir souterrain artificiel)";

- (8) by striking out "drilling or" in the definition of "wellhead":
- (9) by striking out the definition of "tubing" and by inserting, in alphabetical order, the following definition:

""casing" means a steel tubular element that covers the internal wall of a well to ensure tightness in order to continue drilling operations; (coffrage)";

(10) by replacing "steel tubing string" in the definition of "production tubing" by "steel tubular element used".

3. Section 2 is amended

- (1) by striking out subparagraph 3 of the second paragraph;
 - (2) by adding the following in the second paragraph:
 - "(4) payment of the fee in the amount of \$50.";
 - (3) by replacing the third paragraph by the following:

"Where a geophysical survey takes place offshore, the document referred to in subparagraph 1 must also indicate the name of the ship used, its registration number, the name of the owner, the number of persons on board and the types of navigation equipment used."

- **4.** Section 3 is amended by adding "signed by an engineer who can prove training or experience in geophysics and" after "must be" in the first paragraph.
- **5.** Section 5 is amended by replacing the first paragraph by the following:
- "5. The licensee of a geophysical survey must, while the survey is being carried out, send a weekly written report of activities to the Minister on the form prescribed in Schedule IA.".

^{*} The Regulation respecting petroleum, natural gas, brine and underground reservoirs was made by Order in Council 1539-88 dated 12 October 1988 (1988, *G.O.* 2, 3724) and amended by Order in Council 1081-90 dated 1 August 1990 (1990, *G.O.* 2, 2281).

6. Section 6 is amended

- (1) by replacing the part preceding paragraph 1 by the following:
- **"6.** The licensee of a geophysical survey must, while the survey is being carried out, avoid placing the power source at a distance less than";
 - (2) by replacing paragraph 1 by the following:
 - "(1) 30 m from a railway line;";
- (3) by replacing "pipe-line" in paragraph 3 of the French text by "pipeline" and by adding "belonging to a third person" after "pipeline";
- (4) by adding "belonging to a third person" after "well" in paragraph 4.
- **7.** Section 7 is amended by replacing "dynamite" in the part preceding paragraph 1 by "explosives" and by replacing "dynamite blast" in paragraph 2 by "shotpoint".
- **8.** Sections 8 and 9 are revoked.

9. Section 12 is amended

- (1) by replacing "drilling mud and materials from the firing hole" in paragraph 1 by "materials from the firing hole or materials of the same type as those from the firing hole";
 - (2) by replacing paragraph 3 by the following:
- "(3) level excess materials from the firing hole or materials of the same type.".

10. Section 14 is amended:

- (1) by replacing subparagraph *a* of subparagraph 13 of the first paragraph by the following:
- "(a) in the case of a seismic reflection survey, the time structure map (isochrone) of the main target;
- (a.1) in the case of a seismic refraction survey, the velocity map;";
- (2) by adding "reflection" after "seismic" in subparagraphe 16 of the first paragraph;
 - (3) by replacing subparagraph 17 by the following:

- "(17) in the case of a seismic reflection survey, a CD-ROM or an electronic medium containing the geographical coordinates of the shotpoints of each profile, which must be, if applicable, recorded in the ASCII format.";
 - (4) by replacing the second paragraph by the following:

"The report must be signed by an engineer who can prove training or experience in geophysics.".

11. Section 15 is amended

- (1) by adding ", including well re-entry" in the first paragraph after "licence";
- (2) by replacing "a drilling engineer" in subparagraphs 3 and 5 of the second paragraph by "an engineer who can prove training or experience in drilling";
- (3) by replacing subparagraph *c* of subparagraph 3 of the second paragraph by the following:
- "(c) a graphic projection of the formation pressure to the total planned depth;";
- (4) by replacing "a geographical projection of operations comprising:" in subparagraph 4 of the second paragraph by "a geological projection, certified by a geologist or an engineer who can prove training or experience in operations geology, comprising";
- (5) by adding the following after subparagraph 5 of the second paragraph:
 - "(6) payment of the fee in the amount of \$100.";
 - (6) by adding the following at the end:

"The drilling program referred to in subparagraph 3 of the second paragraph must indicate that operations will be carried out according to recognized practices so as to ensure the safety of persons, property and the environment as well as the sustainability of the resource. In the case of the drilling of a well for exploration or operation of an underground reservoir, the requirements in the second paragraph of section 115 must be met, with the necessary modifications."

12. Section 16 is replaced by the following:

"16. The application must be accompanied by a performance guarantee. The amount of the guarantee is equal to 10% of the estimated cost of operations; however, it may not be less than \$5,000 or more than \$150,000. The guarantee must be provided in one of the following forms:

- (1) a certified cheque to the order of the Minister of Finance:
- (2) a suretyship, with waiver of the benefits of discussion and division, issued by a company legally empowered to stand surety;
- (3) an irrevocable and unconditional letter of credit issued by a bank, a savings and credit union or a trust or savings company.".

13. Section 18 is amended

- (1) by replacing "is abandoned" by "is closed permanently";
 - (2) by adding the following at the end:

"In the case of a petroleum or natural gas production well, the performance guarantee is released following the cumulative payment of the royalty provided for in section 204 of the Act for an amount equal to the amount of the guarantee required.

In the case of an underground reservoir production well, the preformance guarantee is released following the cumulative payment of the rental provided for in the second paragraph of section 202 of the Act for an amount equal to the amount of the guarantee required.

In the case of a well other than a petroleum, natural gas or underground reservoir production well, the guarantee is released at the time of the release of the last security for the deposit or the underground reservoir.".

14. Section 21 is amended

- (1) by replacing "referred to in subparagraph 3 of the second paragraph of" in the first paragraph by "required under":
- (2) by replacing "not later than 15 days in advance" in the second paragraph by "beforehand".

15. Section 22 is amended

- (1) by inserting "underground" after "artificial" and "15 m under" after "does not exceed" in paragraph 1;
- (2) by adding "however, in the case of an artificial underground reservoir or of drilling the depth of which does not exceed 15 m under the layer of unconsolidated deposits, the distance may vary from 50 to 100 m;" at the end of paragraph 3;
 - (3) by replacing paragraph 6 by the following:

- "(6) within the supply area of the catchment site of groundwater established in accordance with section 25 of the Groundwater Catchment Regulation made under the Environment Quality Act (R.S.Q., c. Q-2) and supplying drinking water to a waterworks system operated by a municipality;
- (6.1) less than 200 m from a groundwater catchment site supplying drinking water to an educational institution, a health and social services institution, a waterworks system operated by a municipality or a private waterworks system serving mostly private residences;";
- (4) by adding "with respect to which the licensee holds no right" after "reservoir" at the end of paragraph 7.
- **16.** Section 23 is amended by replacing "referred to in subparagraph 3 of the second paragraph of" by "required under".

17. Section 25 is replaced by the following:

- "25. A well drilling licensee must secure the surface casing at a depth equal to or greater than 10% of the maximum depth specified in the drilling program.".
- **18.** Section 27 is amended by replacing the second paragraph by the following:

"Part of the poured cement must surface through the annular space. Failing that, the placing of the casing must be verified by means of a cement-bond log on the internal wall of the hole to determine the exact position of the cement. Except in the cases provided for in the third paragraph, each casing must be cemented up to the surface.

Where the casing could not be cemented up to the surface or, in the case of an intermediate casing, where the technical conditions do not allow it, cementation must be completed by perforation or injection in the annular space to meet the following conditions:

- (1) in the case of cementation of the surface casing:
- (a) the cement column above the shoe must be at least 50% the length of the casing;
- (b) the cement column up to the surface of the ground must be at least 5 m under the ground level or, where the well goes through potable water zone, at least 25 m under the potable water zone;
- (2) whether in the case of the cementation of a subsequent casing, intermediary or production:

- (a) the cement column above the shoe must be at least 150 m:
- (b) the cement column must be present at the level of any porous and permeable zone and at the level of the 100 m above that zone;
- (c) the cement column in the annular space above the shoe of the preceding casing must be at least 50 m.".

19. Section 31 is amended

- (1) by replacing "exceeds half" in the first paragraph by "is equal to or greater than";
 - (2) by striking out the second paragraph.
- **20.** Section 32 is amended by adding ", except in the case of an open hole completion already specified in the drilling program required under section 15" at the end.
- **21.** Section 36 is amended by replacing "referred to in subparagraph 3 of" by "required under".

22. Section 37 is amended

- (1) by replacing trhe first paragraph by the following:
- **"37.** A well drilling licensee must, during drilling operations, have a quantity of drilling cuttings collected in their natural state at 5-m intervals in such a manner as to fill
- (1) a 10-ml flask of cuttings washed and dried beforehand; however, the licensee must refrain from washing samples from the layer of unconsolidated deposits; and
 - (2) a 500-g bag.";
- (2) by adding the following after the second paragraph:
- "A well drilling licensee must use sample flasks and bags designed for conservation purposes.".
- 23. Section 43 is amended by replacing "immediately" by "on the same day" and "the samplings" by "the results of the analyses of the samples not later than 1 month after the end of the drilling".
- **24.** Section 46 is amended by replacing paragraph 7 by the following:
- "(7) a summary of the working condition of the blowout prevention equipment;".

25. Section 47 is replaced by the following:

"47. A well drilling licensee must, once a week, send the Minister a copy of each daily report completed up until the drilling is stopped temporarily or permanently.".

26. Section 48 is amended

- (1) by replacing "161" in the first paragraph, in the part preceding subparagraph 1, by "162";
- (2) by replacing subparagraph 11 of the first paragraph by the following:
- "(11) the types, quantities and data sheets of products used in the manufacturing of drilling mud;";
- (3) by adding "and their stratigraphic correspondence" at the end of subparagraph 13 of the first paragraph;
- (4) by adding the following after subparagraph 13 of the first paragraph:
- "(14) the survey according to the NAD-83 map reference system.";
- (5) by replacing "a magnetic diskette IBM compatible, size 3.5 or 5.125 inches" by "a CD-ROM or electronic medium" and by replacing "The diskette must indicate" by "The CD-ROM or electronic medium must indicate";
- (6) by replacing subparagraph 2 of the second paragraph by the following:
- "(2) a CD-ROM or an electronic medium containing the data of the wireline logs taken in the well, which must be, if applicable, recorded according to the Log ASCII standard format of logging information commonly called L.I.S. format."

27. The following is inserted after section 48:

"48.1. A well drilling licensee must, while drilling, deposit the drilling mud in a leakproof structure designed according to recognized practices. At the end of the drilling, the structure must be removed or dismantled and the drilling mud must be reclaimed or eliminated in accordance with the provisions of the Environment Quality Act (R.S.Q., c. Q-2) and its regulations."

28. Section 49 is amended

(1) by replacing "a drilling engineer" in subparagraph 1 of the second paragraph by "an engineer who can prove training or experience in drilling";

- (2) by adding the following after subparagraph c of subparagraph 1 of the second paragraph:
- "(d) a longitudinal section indicating the mechanical conditions of the well after modification;";
- (3) by adding the following after subaparagraph 3 of the second paragraph:
 - "(4) the payment of the fee in the amount of \$50.";
 - (4) by adding the following at the end of the section:

"The completion program referred to in subparagraph 1 of the second paragraph must show that operations will be carried out in accordance with recognized practices so as to ensure the safety of persons, property and the environment as well as the sustainability of the resource. In the case of a well completion carried out for exploration or operation of an underground reservoir, the requirements in the second paragraph of section 115 must be met, with the necessary modifications."

29. Section 50 is amended

- (1) by replacing "prescribed by subparagraph 1 of the second paragraph of" in the first paragraph by "required under";
- (2) by replacing "5 days in advance" in the second paragraph by "beforehand".
- **30.** Section 58 is amended by inserting "for petroleum, natural gas and an underground reservoir" after "exploration licence" and by adding "relating to petroleum and natural gas or an underground reservoir" at the end of the sentence.

31. Section 59 is replaced by the following:

"59. An application for the authorization to close temporarily or permanently a well must be submitted to the Minister, prior to the closing, on the form prescribed in Schedule V and be accompanied by the closing program signed by an engineer who can prove training or experience in drilling.".

32. Section 60 is amended

(1) by replacing "ou de bail d'exploitation relatif au pétrole et au gaz naturel, à la saumure ou à un réservoir souterrain" in the part preceding paragraph 1 of the French text by "de pétrole, de gaz naturel et de réservoir souterrain ou de bail d'exploitation relatif au pétrole et au gaz naturel ou à un réservoir souterrain";

- (2) by replacing paragraph 3 by the following:
- "(3) if a well is insulated by a perforated casing, it must be filled with a fluid whose density will create a pressure greater than the formation pressure and be equipped with a wellhead;";
 - (3) by adding the following after paragraph 6:
- "(7) the closing of the well must be done according to recognized practices so as to ensure the safety of persons, property and the environment as well as the sustainability of the resource. In the case of the closing of a well done for the exploration or operation of an underground reservoir, the requirements provided for in the second paragraph of section 115 must be met, with the necessary modifications;
- (8) when a well is closed temporarily, a yearly inspection must be carried out and an annual inspection report must be sent to the Minister before the anniversary date of the closing; the report must indicate the condition of the wellhead, fence or shelter and all operations carried out to maintain the closing conditions and be accompanied by photographs.".

33. Section 61 is amended

- (1) by replacing "The holder of a licence or of a lease" in the part preceding paragraph 1 by "An exploration licensee or production lessee";
 - (2) by replacing paragraph 2 by the following:
- "(2) each permeable zone of the well must be isolated by means of a cement plug, which must not be less than 30 m in length when placed in a part of the well unprotected by a casing, nor less than 10 m in length when placed in a part of the well protected by a casing;";
 - (3) by replacing paragraph 7 by the following:
- "(7) an onshore well must be identified by means of a steel plate 15 cm wide and 30 cm high indicating in relief the name of the well and its geographic coordinates. The plate must be fastened by a steel rod at 1.5 m above ground. When the steel rod is not welded to the outside casing, the plate must also indicate in which direction and at what distance the well is located;".
- **34.** The heading of Chapter IV is replaced by the following:

"EXPLORATION LICENCES FOR PETROLEUM, NATURAL GAS AND UNDERGROUND RESERVOIRS".

- **35.** Section 62 is amended by replacing "petroleum and natural gas, brine or underground reservoirs" in the part preceding subparagraph 1 of the first paragraph by "petroleum, natural gas and underground reservoirs".
- **36.** Section 65 is amended by replacing "on the seafloor" by "offshore".
- **37.** Section 67 is amended by adding", and assessments of the economic potential of the deposit carried out under the second paragraph of section 176 of the Act" at the end of the first paragraph.
- **38.** The following is inserted after section 70:
- **"70.1.** The annual fee is reduced to \$0.25 per hectare for the duration of the licence where the exploration licensee holds the rights on an area of at least 100,000 hectares offshore."
- **39.** Section 71 is amended
- (1) by replacing ", natural gas or brine" in the first paragraph by "or natural gas";
- (2) by adding the following at the end of the first paragraph:

"However, when extracting from gas shale, the test period may not exceed 1 year."

(3) by replacing the part preceding subparagraph 1 of the second paragraph by the following:

"The exploration licensee must, before starting extracting operations, notify the Minister in writing and send the Minister a report certified by an engineer who can prove training or experience in drilling, indicating".

40. Section 72 is amended by replacing "The holder of a licence for the exploration of an underground reservoir" and "a drilling engineer" in the part preceding paragraph 1 of the second paragraph by "An exploration licensee" and "an engineer who can prove training or experience in drilling" respectively.

41. Section 73 is amended

(1) by replacing "a drilling engineer" in the part preceding paragraph 1 by "an engineer who can prove training or experience in drilling";

- (2) by striking out paragraph 4.
- **42.** Section 75 is amended by replacing paragraph 3 by the following:
 - "(3) a well completion program indicating
- (a) the type of drilling rig that will be used for the completion and its specifications;
- (b) the chronological description of the operations that will be carried out during the completion;
- (c) the pressure to which the equipment will be subjected;".
- **43.** The heading of Chapter VI is replaced by the following:

"LEASES TO PRODUCE PETROLEUM AND NATURAL GAS AND LEASES TO OPERATE UNDERGROUND RESERVOIRS".

- **44.** Section 82 is amended by striking out ", 106" in paragraph 4 and by replacing "111" by "113".
- **45.** Section 85 is amended by replacing "a petroleum geologist engineer" in paragraph 2 by "an engineer who can prove training or experience in geology".
- **46.** Section 86 is amended by replacing "a petroleum geologist engineer" by "an engineer who can prove training or experience in geology".
- **47.** Section 87 is amended by replacing "or" by "and".
- **48.** Section 88 is amended by replacing "a petroleum geologist engineer" in the second paragraph by "an engineer who can prove training or experience in geology".
- **49.** Section 96 is amended by replacing "shall be" in the second sentence by "must be".
- **50.** Sections 98 to 100 are revoked.
- **51.** Section 103 is amended by inserting "by a double wall shelter made of nonflammable materials and giving access to the well by the opening of a removable section of the roof or by moving a removable section of the shelter, or be protected" in subparagraph a of paragraph 1 after "protected".
- **52.** Section 104 is amended

- (1) by replacing "production" in subparagraphs b and c of paragraph 1 and subparagraph b of paragraph 2 by "average daily production per producing well";
- (2) by inserting "per producing well" in subparagraph *a* of paragraph 2 after "production".

53. Section 105 is amended

- (1) by striking out "for each production day" in the part preceding paragraph 1;
 - (2) by adding the following after paragraph 6:
- "(7) the results of the tests, measurements and loggings required under sections 90 to 95.".
- **54.** Division III of Chapter VI including sections 106 to 111 is revoked.
- **55.** Sections 112 and 113 are replaced by the following:
- "112. An application for a lease to operate an underground reservoir, in addition to the requirements in sections 81 and 82, must contain the following information certified by an engineer who can prove training or experience in geology:
- (1) the technical description of the characteristics of the reservoir, indicating
- (a) the type of underground reservoir and a description of the characteristics of the rock in which the reservoir will be laid out;
 - (b) the size of the reservoir and its plane projection;
 - (c) the depth to which the reservoir will be laid out;
- (d) the porosity, permeability and saturation in water of the reservoir, if applicable;
 - (e) the temperature of the reservoir;
- (f) the absolute static initial pressure of the reservoir, if applicable;
- (g) an analysis of fluids and gases depending on the temperature and pressure of the reservoir;
- (h) the usable capacity of the reservoir at its operating pressure;

- (2) the technical description of the characteristics of the roof of the reservoir, which must indicate the characteristics identified in paragraph 1, with the necessary modifications:
- (3) a description of the protective perimetre, which must comply with section 114;
- (4) a summary of exploration, development and infrastructure work carried out in the reservoir before applying for a lease;
 - (5) the development program of the reservoir.
- 113. To set the annual rental of a lease to operate an underground reservoir, the Minister takes into account the estimated volume of hydrocarbon that will be withdrawn in the year. The annual rental is adjusted at the end of the year on the basis of the actual volume withdrawn and,
- (1) where the volume of hydrocarbon withdrawn is 50 million cubic metres or less, the rental is \$250 per million cubic metres:
- (2) where the volume of hydrocarbon withdrawn is greater than 50 million cubic metres but less than 100 million cubic metres, the rental is \$250 for the first 50 million cubic metres and \$500 per million of cubic metres for the remainder;
- (3) where the volume of hydrocarbon withdrawn is greater than 100 million cubic metres but less than 250 million cubic metres, the rental is \$250 per million cubic metres for the first 50 million cubic metres, \$500 per million cubic metres on volumes between 50 and 100 million cubic metres and \$750 per million cubic metres for the remainder;
- (4) where the volume of hydrocarbon withdrawn is greater than 250 million cubic metres, the rental is \$250 per million cubic metres for the first 50 million cubic metres, \$500 per million cubic metres for volumes between 50 and 100 million cubic metres, \$750 per million cubic metres cubic for volumes between 100 and 250 million cubic metres and \$1,000 per million cubic metres for the remainder.

However, the rental may not be less than \$10,000 each year of the lease.".

56. Section 115 is amended by adding the following at the end:

"That holder must also comply with recognized practices in the design, development and shutdown of the underground reservoir, installations and related equipment, so as to ensure the safety of persons, property and the environment as well as the sustainability of the resource, in particular with regards to

- the materials used;
- the work related to drilling, completion and transformation of the well:
 - the situation of the underground storage facilities;
 - the design and development criteria;
 - the development and construction work;
 - surface installations;
 - operations and maintenance;
 - monitoring and security measures;
- operations for sealing, closing and restoring the underground storage site.".
- **57.** Section 119 is amended by replacing "\$100" by "\$500".
- **58.** Section 120 is amended by replacing "\$10" by "\$25".
- **59.** Section 121 is amended by replacing "\$1" by "\$25".
- **60.** The following is inserted after section 121:
- **"121.1.** The holder of an authorization to produce brine pays the following fees on brine extracted from the site under the authorization:
- (1) where the average daily production per producing well is 300 cubic metres or less, 5% of the market value at the wellhead of the substance extracted from the brine:
- (2) where the average daily production per producing well is greater than 300 cubic metres but less than 1,000 cubic metres,
- (a) 5% of the market value at the wellhead of the extracted substance on the first 300 cubic metres:

- (b) 10% of the market value at the wellhead of the extracted substance on the remainder;
- (3) when the average daily production per producing well is greater than 1,000 cubic metres,
- (a) 8.75% of the market value at the wellhead of the extracted substance on the first 1.000 cubic metres:
- (b) 12.5% of the market value at the wellhead on the remainder.".
- **61.** Section 123 is amended by inserting ", 18, 58" after "15" and by striking out ", 106".
- **62.** Schedules I to V are replaced by Schedules I to V attached hereto.
- **63.** This Regulation comes into force on 21 January 2010.

Application for a licence for geophysical surveying– Schedule 1 Mining Act (R.S.Q., c. M-13.1)

| PART A – Identification o Name of applicant | гаррисанс | | | | | |
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| Address | | | Telephone number | Fax nu | mber | |
| | | | () | () |) | |
| Number of the exploration licer | ice, or of the leas | e to produce or the | e lease to operate, in the | territory where g | eophysical surveying will | be carreid out |
| Signature for the applicant | Litle | | | Date | | |
| X | | | | | | |
| ART B – Description of | operations | | | | | |
| Type of geophysical survey | | | | | | |
| Number of kilometres of geoph | vsical surveying | I Projected dates | of the beginning of | Projected dat | tes of the end of operation | ins |
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| Description of equipment used | for data acquisition | on | | | | |
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| | | | | | | |
| ART C - Engineer respo | onsible for the | e geophysical | SULLAN | | | |
| ART C – Engineer resports Family name and first name of | engineer | e geophysical Title | survey | | | |
| ART C – Engineer responsible Family name and first name of Address | engineer | e geophysical Title | | ax number | | |
| Family name and first name of | engineer | Title | | ax number | | |
| Family name and first name of | engineer | Title | er F | ax number) ate | | |
| Family name and first name of | engineer | Telephone number | er F |) | | |
| Family name and first name of Address Signature X | engineer | Telephone number | er F |) | | |
| Family name and first name of Address Signature X ART D – Subcontractors | engineer | Title Telephone number () O.I.Q. member No | er F |) | | |
| Address Signature X ART D – Subcontractors contractor in charge of d | engineer | Title Telephone number () O.I.Q. member No | er F (0 C |) ate | | |
| Family name and first name of Address Signature | engineer | Title Telephone number () O.I.Q. member No | er F |) ate | Fax number | |
| Address Signature X ART D – Subcontractors contractor in charge of d | engineer | Title Telephone number () O.I.Q. member No | er F (0 C |) ate | Fax number | |
| Address Signature X ART D – Subcontractors contractor in charge of d Name of contractor | engineer | Title Telephone number () O.I.Q. member No | o F |) ate | Fax number | |
| Address Signature X ART D – Subcontractors Contractor in charge of d Name of contractor Address Contractor in charge of d | engineer S ata acquisitio | Title Telephone number () O.I.Q. member No | Telephone num |) ate | () | |
| Family name and first name of Address Signature X ART D – Subcontractors Contractor in charge of d Name of contractor Address | engineer S ata acquisitio | Title Telephone number () O.I.Q. member No | o F |) ate | Fax number () | |
| Address Signature X ART D – Subcontractors contractor in charge of d Name of contractor Address Contractor in charge of d | engineer S ata acquisitio | Title Telephone number () O.I.Q. member No | Telephone num |) ate | () | |
| Address Signature X ART D – Subcontractors ontractor in charge of d Name of contractor Address Ontractor in charge of d Name of contractor | engineer S ata acquisitio | Title Telephone number () O.I.Q. member No | Telephone num |) ate | () | |
| Address Signature X ART D – Subcontractors Contractor in charge of de Name of contractor Address Contractor in charge of de Name of contractor Address Contractor in charge of de Name of contractor Address Contractor in charge of de Name of contractor | ata acquisitio | Title Telephone number () O.I.Q. member No | Telephone num () Estimated costs |) ate | Fax number | |
| Address Signature X ART D – Subcontractors Contractor in charge of d Name of contractor Address Contractor in charge of d Name of contractor | ata acquisitio | Title Telephone number () O.I.Q. member No | Telephone num |) ate | () | |

Application for a licence for geophysical surveying - Schedule 1a Mining Act (R.S.Q., c. M-13.1)

| Number of the licen | ce for geophysica | l surveying | | | | |
|-----------------------|--------------------|-------------------------|-------------------------------------|----------|--------------------|--------------------|
| Holder of the licence | e for geophysical | surveying | | | | |
| Engineer responsib | le for the geophys | ical operations | | | | |
| Week of | | | | | | |
| Day N [°] | Date | Exploration licence | Activity | Line | Production (km) | Cumulative (km) |
| | | | | | () | () |
| | | | | | | |
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| | | | | | | |
| | | | WEEKLY TOTAL | • | | |
| | | | | | | |
| NOTE : Write or at | tach to this form | other information in ac | ccordance with section 5 of the Reg | gulation | | |
| | | | | | | |
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Application for a well drilling or re-entry licence – Schedule 2 Mining Act (R.S.Q., c. M-13.1)

PART A - Identification of applicant

| Address | | Telephone nu | ımber | | | Fax number | |
|--------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|----------------|-------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|
| Name of well | | , , | e explorati | ion licence or | of the leas | e to produce or the lea | ase to operate |
| Signature for the applicant | | Title | | | | Date | |
| PART B – Drilling locati | on | L | | | | | |
| Lot | Range | | Townsh | nip | | Parish | |
| Rectangular coordinates (MTM | 1) | | | | | nical coordinates | |
| | | | | | Lutte | | |
| Élevation (metres above sea le | evel) | Zone | | | Long | itude: | |
| Ground level | | Rotary tal | ble | | | | |
| PART C - Description o | f operations | | | | | | |
| TAKTO - Description o | | Tubing a | and cem | nenting pr | ogram | | |
| | | | | Typ | Δ. | Donth | Coment/Additive |
| | Diameter | Weight | | Тур | e | Depth | Cement/Additive |
| | Diameter | weight | | Тур | e | Depth | Cement/Additives |
| | Diameter | weight | | Тур | e | Depth | Cement/Additive |
| Date of the beginning of opera | | Total projected de | | Тур | 1 | Depth | Cement/Additive |
| | ations | Total projected de | | Тур | 1 | · | Cement/Additive |
| Description of the characterist | ations | Total projected de | | Тур | 1 | · | Cement/Additive |
| | ations | Total projected de | | Тур | 1 | · | Cement/Additive |
| Description of the characterist | ations ics of the blowout p | Total projected de | pth (metre | Тур | 1 | · | Cement/Additives |
| Description of the characterist Special remarks | ations ics of the blowout p er responsible | Total projected de | pth (metre | Тур | Estimat | · | Cement/Additives |
| Description of the characterist Special remarks PART D - Drilling engine | ations ics of the blowout p er responsible | Total projected depreventer equipment | pth (metre | Тур | Estimat | ed drilling costs | Cement/Additive |
| Description of the characterist Special remarks PART D – Drilling engine Family name and first name of Address Signature | ations ics of the blowout p er responsible | Total projected depreventer equipment | pth (metre | Тур | Estimat | ed drilling costs | Cement/Additives |
| Description of the characterist Special remarks PART D — Drilling engine Family name and first name of | ations ics of the blowout p er responsible | Total projected de preventer equipment of the operation o | pth (metre | Тур | Estimat Fa: | ed drilling costs | Cement/Additive |
| Description of the characterist Special remarks PART D – Drilling engine Family name and first name of Address Signature | ations ics of the blowout p er responsible f engineer | Total projected depreventer equipment For the operation Telephone numl () O.I.Q. member I | pth (metre | Тур | Estimat Fa: | ed drilling costs | Cement/Additive |
| Description of the characterist Special remarks PART D – Drillling engine Family name and first name of Address Signature | ations ics of the blowout p er responsible f engineer | Total projected depreventer equipment For the operation Telephone numl () O.I.Q. member I | pth (metre | Тур | Estimat Fa: | ed drilling costs | Cement/Additive |

Application for a well completion licence – Schedule 3 Mining Act (R.S.Q., c. M-13.1)

PART A - Identification of applicant

| Address | | Telephone number () | Fax number () |
|-----------------------------|-------------|---------------------------------------------------|-----------------------------------------|
| Name of well | Well number | Number of the exploration lid lease to operate | cence or of the lease to produce or the |
| Signature for the applicant | | Title | Date |

Tubing and cementing program

| Fu | ınction | Diameter | Weight | Type | Depth | Cement/Additives |
|----|---------|----------|--------|------|-------|------------------|
| | | | | | | |
| | | | | | | |
| | | | | | | |

Perforation and stimulation program

| Perforating interval | Geological formation | Gas or petroleum | Type of perforation | Stimulation program |
|----------------------|-------------------------|------------------|---------------------|---------------------|
| | | | | |
| | | | | |
| | | | | |

| Date of the beginning of operations | Total planned depth (metres under sea level) | Estimated completion costs |
|-------------------------------------|----------------------------------------------|----------------------------|
| | before completion after completion | |
| Description of the characteristics | of the blowout prevented equipment | |
| Special remarks concerning com | pletion | |

PART C - Drilling engineer responsible for the operations

| Family name and first name of engineer | Telephone number | Fax number |
|----------------------------------------|-------------------|------------|
| | () | () |
| Address | | |
| | | |
| Signature | O.I.Q. member No. | Date |
| X | | |

PART D - Contractor in charge of completion

| Name of contractor | Telephone number | Fax number |
|--------------------|------------------------------|--------------------------------|
| | () | () |
| Address | Type of earth-boring machine | Number of earth-boring machine |
| | | |

Application for a well conversion licence – Schedule 4 Mining Act (R.S.Q., c. M-13.1)

| PART A – Identification Name of applicant | of applic | cant | | | | | | |
|-------------------------------------------|---------------|---------------|--------------|-------------------|-----------------------------|--------------|--------------------|--------------------------------|
| Address | | | | | Telephone n | umber | Fax | number |
| | | | | | (') | | (|) |
| Name of well | | Well numb | oer | | Number of the lease to oper | | n licence or of th | ne lease to produce or the |
| Signature for the applicant X | | | | | Title | | Date | е |
| PART B – Description of | of operati | ons | Tubir | ng and cem | enting prog | ıram | | |
| Function | Diar | neter | V | Veight | Тур | е | Depth | Cement/Additives |
| | | | | | | | | |
| | | | | | | | | |
| | | | Perfo | ration and s | timulation | program | | |
| Perforating interval | | Geologic | | Gas or p | etroleum | | /pe of foration | Stimulation program |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| Date of the beginning of opera | tions To | tal planned o | lepth (met | res under sea l | evel) | | Estimated cor | nversion costs |
| | | | conversior | | ter conversion | | | |
| Description of the characteristi | cs of the blo | wout preven | ter equipn | nent | | | | |
| Special remarks concerning th | e conversio | n | | | | | | |
| PART C – Drilling engin | eer resno | onsible fo | r the on | erations | | | | |
| Family name and first name of | | | Telephone | | | Fax no | umber | |
| | | | , , | | | , | , | |
| Address | | | () | | | 1 (|) | |
| Signature | | | O.I.Q. me | ember No. | | Date | | |
| X | | | | | | | | |
| PART D – Contractor in | charge c | of complet | tion | | | | | |
| Name of contractor | | | Telephon | e number | | Fax n | umber) | |
| Address | | | Type of e | arth-boring mad | chine | Numb | er of earth-borin | g machine |
| Ministère des Ressources naturelles | et de la Faun | e [| Direction gé | nérale des hydrod | carbures et des bi | iocarburants | | 18 novembre 2008 – Page 1 de 1 |

| * * | Application for authorization to close a well– Schedule Mining Act (R.S.Q., c. M-13.1) |
|----------|----------------------------------------------------------------------------------------|
| <u>.</u> | |

| Manage of annull annul | f applicant | | | | | | | |
|-----------------------------------------------------------------------------------------------------|-------------------|-----------|----------------|------------|--------------------|-------------------------------------------|--------------|-------------------------------------------------------|
| Name of applicant | | | | | | | | |
| Address | | | | | Teleph | one number | | Fax number |
| Name of well | | | Well number | | | | | ce or of the lease to |
| Signature for the applicant X | | | | | Title | e or the lease | | Pate |
| | | | | | | | | |
| Part B – Description of | operations | | Closing pr | rogram | | | | |
| Plug number | Interval or de | epth | Type of plug | | | Character | istics of ce | ment |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| Date of the beginning of ope | erations | Type o | f closing | | | Estimated of | closing cost | S |
| | | Tempo | rary 🗌 | Permanent | | | | |
| | | | | | | | | |
| | | | | | | | | |
| Part C –Engineer respo Family name and first name | | ations | | | Teleph | one number | | Fax number |
| Family name and first name | | ations | | | Teleph | one number | | Fax number |
| Family name and first name Address Signature | | ations | | | () | one number | | Fax number () |
| Family name and first name Address Signature X | of engineer | ations | | | () | | | () |
| Family name and first name Address Signature X Part D – Contractor in c | of engineer | ations | | | O.I.Q. 1 | | | () |
| Family name and first name Address Signature X Part D – Contractor in c | of engineer | ations | | | O.I.Q. I | member No | g machine | Date |
| Family name and first name Address Signature X Part D – Contractor in c | of engineer | ations | | | O.I.Q. I | member No | y machine | Date Fax number () Number of earth- |
| Family name and first name Address Signature X | charge of closing | | STÈRE DES RESS | OURCES NAT | Telephi | member No one number f earth-boring | | Date Fax number () Number of earth- |
| Family name and first name Address Signature X Part D – Contractor in c Name of contractor | charge of closing | | | OURCES NAT | Telephi () Type o | member No one number f earth-boring | FAUNE | Date Fax number () Number of earth- |
| Family name and first name Address Signature X Part D – Contractor in c Name of contractor Address | charge of closing | É AU MINI | | | Telephi () Type o | member No one number f earth-boring | FAUNE | Date Fax number () Number of earth- boring-machine |