



Direct Award of Petroleum and Natural Gas Tenure to Blueberry River First Nations

March 2024



Regular PNG Tenure Sales Process

- Proponents submit posting requests for specific parcels
- The Ministry reviews the parcels and then sends them for consultation to First Nations and stakeholders (including PRRD)
- Once consultation is complete, the Ministry reviews all information then decides whether the parcel will be posted for sale and adds any caveats
- If the parcel goes to the monthly tenure auction, it is awarded to the proponent with the highest reasonable bid
- Once the parcel is sold, PRRD is sent notification of the final sale



Alternative Disposition Process – ex. Direct Award

- The Minister may withdraw Crown reserves from sale under the typical public auction or tender process and issue PNG rights through an alternative disposition process.
 - Allows tenure to be directly awarded to a party
- In the Blueberry River First Nations (BRFN) Implementation Agreement, the Province committed to facilitate the direct award of PNG tenure to BRFN
- The proposed parcel for direct award contains tenure that has not previously been sold.



PNG Tenure Direct Award

- The consultation process followed for the direct award is the same as the process used in regular tenure sales
- The differences between the regular auction and the alternative disposition process are that:
 - after consultation, the decision is made by Cabinet (rather than the Minister), and
 - there can be alternative terms that are at the discretion of Cabinet (rather than the standard terms of a drilling licence or lease).
- In the case of the direct award being considered to Blueberry River First Nations, the following alternate simplified terms are proposed:
 - No initial cost to the First Nation in order to advance reconciliation and to support economic opportunities
 - Same rent as a standard lease, but with the option to defer initial payment
 - Ten-year initial term as opposed to typical 3-5 year term, with option to convert to standard five-year lease
 - Tenure cannot be divided unless first converted to a lease



Peace River Regional District Concerns

- The Ministry addresses stakeholder concerns through consideration of concerns in the decision and applying caveats
- Caveats are attached to the tenure and notify the tenure holder of any concerns they may need to consider when planning surface development
- These concerns could include existing infrastructure, land use plans, environmental concerns, archeological sites, etc.
- If PRRD has any concerns, PRRD and the Ministry can create caveats to notify the tenure holder of the concerns