



Natural Resources
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Energy Policy Sector

Secteur de la politique énergétique

2008 MAY -9 A 9:34

Ottawa, Canada
K1A 0E4

NEB/ONE

May 9, 2008

To: Interested Stakeholders

April 2008 version of the draft *Drilling and Production Regulations* (DP Regs.)

Over the past few years, the Frontier and Offshore Regulatory Renewal Initiative (FORRI) Steering Committee and a Project Working Group (PWG) have been working to update oil and gas-related regulations under the *Canada Oil and Gas Operations Act* and the *Offshore Accord Acts*¹. These Acts above govern the exploration for, and production of, oil and gas resources in certain parts of Canada, including the Northwest Territories and Nunavut as well as offshore areas in British Columbia, the Gulf of St. Lawrence, the Bay of Fundy and Nova Scotia, Newfoundland and Labrador. The draft *Drilling and Production Regulations* are in relation to any company proposing to drill a gas or oil well, or construct and operate a production installation within these areas.

The agencies participating in the initiative include the Natural Resources Canada, the Department of Indian Affairs and Northern Development, the National Energy Board, the Province of Newfoundland and Labrador, the Province of Nova Scotia, the Canada-Newfoundland Offshore Petroleum Board and the Canada-Nova Scotia Offshore Petroleum Board.

All information about this initiative, including draft regulations, letters, background information, questions and answers and an overview presentation are available on the National Energy Board website at www.neb-one.gc.ca. Click on "Acts and Regulations", then "Regulations under Review" and scroll to the bottom of the page and click on "Draft Goal-Oriented Drilling and Production Regulations".

A lengthy stakeholder comment period on the draft regulations was held between April and August 2007. Following the comment period, the PWG considered all the comments received and revised, as appropriate, the draft regulations. The comments and the PWG responses are also available on the above website.

¹ *Canada-Newfoundland Atlantic Accord Implementation Act; the Canada-Newfoundland Atlantic Accord Implementation Newfoundland and Labrador Act; the Canada-Nova Scotia Offshore Petroleum Resources Accord Implementation Act; and the Canada-Nova Scotia Offshore Petroleum Resources Accord Implementation (Nova Scotia) Act* (Offshore Accord Acts).

The FORRI Steering Committee recognizes that interested stakeholders may have questions about the draft regulations and will consider requests for additional meetings to be held between June 2 and 20, 2008. Such meetings would provide a forum for an explanation of the draft regulations, exchange of views to reach mutual understanding of positions and provide clarification as needed.

The next formal comment period on the DP Regs will occur at the Canada Gazette I stage. A notice will be sent to all interested stakeholders when the comment period begins.

Requests for hard copies of any of the above information or for meetings should be directed to:

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Yours truly,



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cc: DP Regs Project Working Group
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