



Saskatchewan's Natural Gas in Coal: Geology, Regulations, and Strategies

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Abstract

An interdepartmental *Natural Gas in Coal (NGC) Working Group* was formally approved and enacted in March of 2005. The Mandate of the Working group is to attract and steer a new industry in the oil and gas sector, under terms that are fair and effective for industry, government, local stakeholders, and the general public.

The current goals of the group are threefold:

- 1.) Gain better geological knowledge of the potential NGC producing horizons. A government-sponsored study of the Upper Cretaceous Belly River Formation was completed, indicating significant thicknesses of coal in a 75 township area in southwest Saskatchewan. Preliminary findings in Mannville studies indicate that thick local coal accumulations may provide interesting exploration targets.
- 2.) Study NGC from a regulatory standpoint. An investigation of the Saskatchewan oil and gas regulations has shown that the province is prepared for this new industry from a legal standpoint. It is hoped that this should clarify any legal questions that may arise for a company considering drilling for NGC in the province.
- 3.) Keep the public and industry informed as to the nature of the NGC industry. A public awareness campaign which includes a website and information sheets has been undertaken. The goal is to educate and inform the public proactively, so that when and if the development companies do arrive, a more effective consultation processes can take place. Ongoing industry consultation has shown that the direction that the Saskatchewan government is taking is a positive step towards a flourishing new natural gas source in the province.