

Frequently Asked Questions

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Q: What is IOGC and what does it do?

Indian Oil and Gas Canada (IOGC) is a regulatory agency within Indigenous and Northern Affairs Canada (INAC) responsible for managing and administering the exploration and development of crude oil and natural gas on First Nation reserve lands.

IOGC's specific responsibilities are to:

- identify and evaluate oil and gas resource potential;
- encourage companies to explore for, drill and produce these resources through leasing activity;
- ensure equitable production, fair prices and proper collection of royalties; and
- secure compliance with and administer the regulatory framework in a fair and equitable manner

Q: How many people work at IOGC?

As of March 31, 2013, IOGC had 88 employees, with 45 percent of Aboriginal descent.

Q: Does IOGC keep a percentage of the First Nations revenue (royalty, bonus, rents & access fees) that it collects, or charge a fee to First Nations?

No. All funds collected on behalf of First Nations are placed in their trust accounts. IOGC does not keep any percentage nor does it charge a fee to First Nations.

Q: What happens to the First Nation revenues collected by IOGC?

100% of moneys collected by IOGC on behalf of First Nations are deposited into Trust Fund Accounts administered by Indigenous and Northern Affairs Canada (INAC). These are either capital moneys (royalty and bonus), or revenue moneys (rents and access fees) and the moneys are deposited into their capital or revenue accounts accordingly. Moneys administered by INAC are accessed by the First Nation via Band Council Resolution.

There are certain administration fees charged by IOGC for processing applications from companies. These amounts of revenue are sent to the Receiver General for Canada.

Q: Which lands are IOGC responsible for?

IOGC is responsible for all First Nation reserve lands across Canada designated for oil and gas, and surrendered and unsold reserve lands. This includes a number of reserves in the Northwest Territories. They all come under the [Indian Act](#), so their minerals come under the [Indian Oil and Gas Act](#).

Q: Who owns the oil and gas rights on First Nation lands?

Where subsurface rights are part of an Indian reserve, the title to the subsurface rights, including oil and gas, is held in the title of Her Majesty the Queen and managed in trust for the respective First Nation.

Q: What role does a First Nation have in the development of oil and gas on their reserves?

This depends on the role that each First Nation chooses to play. Some First Nations are very involved in all aspects of their oil and gas development, while others are not. In general, the First Nation works with the company and IOGC to explore and develop their oil and gas resources. First Nation approval for all deals is needed in the form of a Band Council Resolution.

Q: How can IOGC be sure that a well drilled just outside the boundaries of an Indian reserve is not draining oil or gas from the First Nation?

IOGC can never be sure, because the extent of an oil and gas pool is never known for certain as it is deep below the surface. If IOGC suspects that a pool being produced by an off-reserve well may extend onto Indian lands then IOGC will take the appropriate steps to protect the First Nation's interests. This would include trying to lease available lands with the aim of getting a well drilled or in the case of leased lands, serving a notice on the lessee to drill a well or surrender their mineral lease rights.

Q: To whom are cheques made payable?

Make all cheques payable to the Receiver General for Canada.

Q: When is the deadline for royalty payments?

Royalty payments are due the 25th of every month following production, unless otherwise specified within the terms and conditions of the lease.

Q: Who administers other Federal lands in the provinces?

Petroleum Resources Branch, Natural Resources Canada (located in Ottawa).

Date modified:

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