

May 17, 2017

## **Why is That Company Reclaiming my Site? Understanding Working Interest Participants (WIPs)**

The Farmers' Advocate Office (FAO) has been contacted by landowners seeking clarification on why a company other than the one listed on title might be leading on the abandonment and reclamation of a well site.

“A well site or other facility may be registered on title to a particular company, so it can be surprising to a landowner when a different company comes in to abandon or reclaim a site,” says Jeana Schuurman, rural engagement and communications specialist for the Farmers' Advocate Office (FAO).

“Under provincial legislation, other companies with a beneficial or legally undivided share in the licence are referred to as Working Interest Participants (WIPs). These companies would've received some sort of financial benefit when times were good, but when the primary licensee became insolvent, the Alberta Energy Regulator can look to the WIPs to lead on the abandonment or reclamation. The WIP would be responsible for the costs proportionate to their share, and the rest would be covered by the Orphan Well Association.”

For more information, contact the FAO through the Ag Info Centre at 310-FARM (3276) or by e-mail at [farmers.advocate@gov.ab.ca](mailto:farmers.advocate@gov.ab.ca).