

BATTLE LAKE WATERSHED SYNERGY GROUP

< <http://synergyalberta.ca/group/battle-lake-watershed-synergy-group> >

A meeting of the Battle Lake Watershed Synergy Group was held on Thursday March 6, 2014 at the Lakedell Ag. Centre (Hall B) with Paul McLaughlin acting as Facilitator.

CALLED TO ORDER:

Paul called the meeting to order at 7:00 pm

Agenda

- Introductions
- Review of Minutes
- AER Updates
- Regional Involvement in BLWSG
- Pipeline Audits-Request for a volunteer
- Industry Updates
- Community Updates
- Next Meeting

ATTENDANCE:

In attendance were { 4 } residents, {11 } industry representatives and government officials. (See the attached list.)

Review of Minutes: Correction: Myles Aiken was representing Kingsmere at the Jan. 9, 2014 meeting. This should have been stated in the attendance list.

Regional Involvement in BLWSG

Jim Stevens outlined the relevancy of the involvement in BLWSG of communities like the Pigeon Lake community and Westeros to the east of Battle Lake. Due to the hydraulic relationship between activity in or through the aquifer in the Battle Lake area and water flows east to the Pigeon Lake area individuals, organizations and local governments have been granted standing by the AER at hearings and other public events. Alberta Environment and Sustainable Resource Development has also acknowledged the hydraulic relationship.

The aquifer runs from the mountains to an area east of Wetaskiwin at depths from about 1000 ft to the surface. The prevailing slope is west to east to the center of the continent. Individuals, organizations and local governments have participated in the BLWSG and have made submissions and presentations regarding matters of mutual interest to the Battle Lake and Pigeon Lake communities.

Pipeline Audits-Request for a volunteer

Jim Stevens has put out an invite to an industry member to share the findings of a pipeline audit.

AER Update: Steve Harrington

Steve was unable to attend the meeting. He emailed an update that he is retiring at the beginning of June, so should be able to make one more meeting before that time. Logistics on his replacement is not confirmed.

Industry Updates:

Questfire Energy Corp: Ted Thompson

No wells, pipelines or work overs are planned in the area in the next couple of months. Questfire is cooperating with ConocoPhillips to re-install a sign that indicates there is an EPZ zone on Twp. Road 464 west of Range Road 21. The Questfire surface leases at 1-27 and 5-25--46-2-W5 are operated by ConocoPhillips. Each lease has a SSERPlan, and both companies' emergency numbers activate the SSERPs. In the event of a problem both companies mutually work together in the response. Questfire is reviewing the pipeline signs on the pipeline Battle Lake North line 1-27 to 8-6-46-2-W5 to ensure the signs conform to AER regulations.

Scollard Energy Ltd: Myles Aiken: As per Trevor Krauss

Scollard has not yet completed drilling its Hz Cardium well at 1-25-46-2 W5 surface location (bottom hole target 104/1-30-46-1W5). The intent is to complete this drill prior to the end of March 2014. The BLWSG will be notified of any rig move activity in the area.

Scollard is participating in a Hz Drill with Kingsmere resources at 4-14-46-2 W5 for a bottom hole target of 1-10-46-1 W5. This well has been discussed with the BLWSG on a number of occasions. It was previously scoped in 2011 and put on hold. Dennis Miller with Kingsmere Resources can provide more details as they will be operating the well.

Should anyone have any questions regarding the projects listed above please contact Trevor Krauss at (403) 513-1976

Dave Doze did have a question regarding 4-14. Myles shared Trevor's contact number with him.

Kingsmere Resources Ltd: Myles Aiken: As per Dennis Miller

13-10-46-2W5 (1-9 surface) – Electrification of pump jack in progress to alleviate noise concerns.

1-10-46-2W5 (4-14 surface) –

- Site acquired by Scollard last year.
- Environmental study conducted by Scollard.
- Completing D 56 notifications.
- Well expected to be drilled after break up.

- Solution gas to be tied in to adjacent Questfire location.

BayTex: Terry Kreese

Emailed update-Due to prior commitments Baytex was unable to have a representative at the meeting tonight. As far as anything going on with Baytex they currently have no new activity planned in the area and it is business as usual.

NEP Canada: Jason Shihinski

Email update from Jason as he was unable to attend the meeting. No new activity to report. Continue with daily operations.

Journey Energy: Alan Browse

PennWest has sold their assets in the BLWS Area to Journey Energy. Journey Energy is a privately owned company. Any concerns can be addressed to Alan Browse.

Resourceful Petroleum: Keith Ingstrup

Keith introduced himself and colleagues. Resourceful Petroleum is a new company that has purchased land in the area. Currently drilling in the Winfield area.

Michael questioned west of Battle Lake. Keith informed us a well was drilled at 16-16-46-3 just outside the boundary.

Surface Rights Consultant: Karl Zajes

Karl wanted to inform the group that the intent of the surface rights groups are to try and help landowners out and give them direction.

Karl is also hoping industry is following regulation to create a level playing field.

Karl invites everyone out to the Warburg-Pembina Surface Rights meeting on March 11, 2014- 7:30 pm at the Warburg hall. As well as to their Annual General Meeting on April 8, 2014 (same time and location).

NOTICE OF ANNUAL GENERAL MEETING-Alberta Surface Rights Federation

Date: Thursday, March 13th, 2014

Time: Doors open at 9:00am

Place: Norsemen Inn, 6508-48 Ave. Camrose, AB (West end)

Admission: \$30.00 (includes dinner and coffee)

County of Wetaskiwin: Kathy Rooyackers

Kathy was unable to attend the meeting and did not have any updates.

BonaVista Energy: Eleanor Vokes/Billy Joe Waldo

Surface Acquisitions 01-23-046-02 W5M, 14-10-46-2W5M, and 13-3-46-2W5M completed with pipeline routing and multi well battery notifications ongoing.

Dave Doze questioned what 14-10 involved. Billy Joe said that it is a two well pad, will include a 400 barrel tank for produced water and two separator shacks. Dave is concerned with noise. Eleanor said there may be noise at start up but very minimal. Dave didn't receive a site plan. Billy Joe said no, just radius maps. Michael and Billy Joe will follow up to meet.

Other:

Hoadley, Westeros, Pembina areas

New Glauco drill at 14-28-45-02W5, should Spud this week

6" Pipe line from 14-28 to 04-34-45-02W5, now under construction

15-27-45-28W4 construction of compressor station should start up end of March.

Drilling Rig 16-30-42-27W4 pad site for 2 well pad, first well was Spudded March 2nd.

Pipe line is on site tie in.

Eleanor shared an invite to the Wetaskiwin Synergy Initiative: As per attached

Community Updates:

Michael Black:

Nothing more to share.

Clive Buckley:

Nothing to share.

Dave Doze:

Dave is concerned with the two wells that are going in close to his residence. Both are in or close to Tier 1 Land and is concerned about fracing.

Action Item:

Looking for an Industry member to share the findings of a pipeline audit.

Projected Meeting Dates:

May 1, 2014

June 19, 2014-Tentative Bar-b-que

Sept. 11, 2014

Nov. 6, 2014

ATTENDANCE LIST

INDIVIDUAL	REPRESENTING
Paul McLauchlin	Facilitator
Dave Doze	Resident
Alan Browse	Journey Energy
Michael Black	Resident
Clive Buckley	Resident
Eleanor Vokes	Bonavista Energy
Billy Joe Waldo	Bonavista Energy
Ted Thompson	Questfire
Jim Stevens	Resident
Deneen Evans	Minute recorder
Ian Baker	Resourceful Petroleum
Chris Kirby	Resourceful Petroleum
Keith Ingstrup	Resourceful Petroleum
Myles Aitken	Scollard
Karl Zajes	Surface Rights Consultant



Who: Wetaskiwin Synergy Initiative

What : You are invited to an Open house and Information session on Well and facility Abandonments Reclamation and Remediation and what this means. Coffee and Deserts provided.

When: April 9th, 2013 Afternoon session from 2:00pm to 5:00pm

Where: Moose Hall Wetaskiwin

Why: Understanding the industry terminology for abandonments, reclamation , orphan wells and facilities and how industry does this.



Wetaskiwin Synergy Initiative

Mission Statement :

**Better Communication, understanding and information sharing
between landowners, community and energy development
companies and other industries operating in the Wetaskiwin
region.**

www.wsi.synergialberta.ca

For more information or to RSVP
Contact Ed Burghardt (780) 352-2850

Timely Proactive Inclusive Positive

Abandonment: The permanent dismantlement of the licensed facility so that it is permanently incapable of its AER licensed use. This includes leaving the down hole or subsurface structures in a permanently safe and stable condition in accordance with AER requirements; the removal of associated equipment and structures; the removal of all produced liquids; and the removal and appropriate disposal of structural concrete.

Suspension: The cessation of normal production, operation or injection activities at a facility pursuant to its AER licensed use. The facility need not be rendered permanently incapable of its licensed use, but must be left in a safe and stable state during the period of suspension as prescribed by the appropriate AER regulation (s) and guidelines.

Decommissioning: The permanent closure of all or part of an industrial facility, including upstream oil and gas facilities, followed by removal of process equipment, buildings and other structures and the decontamination of the surface and subsurface.

Reclamation: the term is defined in the Environmental Protection and Enhancement Act (EPEA) to mean any or all of the following:

Removal of equipment or buildings and any other structures or appurtenances; the decontamination of buildings or other structures or other appurtenances, or land or water;

The stabilization, contouring, maintenance, conditioning, or reconstruction of the surface of the land; and

Any other procedure, operation, or requirement specified in the regulations.

Orphan: in the oil and gas industry, an orphan is a well, pipeline, facility or associated site which has been investigated and confirmed as not having any legally responsible or financially able party to deal with its abandonments and reclamation.

Orphan Well Association: OWA is a not for profit organization unique to the province of Alberta which was created from the work of many genuinely concerned individuals from the oil and gas industry and from our provincial government. OWA is operated under the delegated authority of the Alberta Energy Regulator or AER.

The purpose of the OWA is to manage the abandonments and reclamation of upstream oil and gas orphan wells, pipelines, facilities, and their associated sites.

The OWA operates under the direction of its members who include: Canadian Association of Petroleum Producers (CAPP), the Explorers and Producers Association of Canada (EPAC), and the AER. Industry funds all of the costs incurred by the OWA, mostly through an Orphan Fund Levy. This levy is based on the abandonment and reclamation liabilities held by each company and is collected annually by the AER and remitted to the OWA.