

Battle Lake Watershed Synergy Meeting

February 5, 2009

A meeting of the Battle Lake Watershed Synergy Group was held on Thursday, February 5, 2009 at the Lakedell Hall with Melinda McLaughlin acting as Facilitator for the meeting.

Called to Order:

- She called the meeting to order at 7:05 p.m.

Attendance:

- In attendance were 22 residents, industry representatives and government officials (see attached list).

Agenda:

- The agenda was not handed out because Melinda had the only copy. She thought everyone had received their copy prior to the meeting.

Minute Keeper:

- The first item on the agenda was the hiring of the Minute Keeper. Michelle Payne was introduced by the Facilitator as the one taking on the role and asked everyone for their support and patience as she learned more about the position.

Michael Black brought up the possibility of recording the meetings for Michelle's benefit so that the minutes would be more accurate. He introduced Trevor Payne, Michelle's husband, who said that he could record the meetings using an Omni directional mic that would be very effective.

When Shane Koss (Baytex) inquired as to the cost, Trevor explained that it would be free because it was to support Michelle, to ensure accurate minutes. When questioned about what would be done with the recordings afterwards, Trevor explained that the group could receive a copy or the discs would be destroyed when no longer needed. It was also stated that recording the meetings may only be

temporary until Michelle was more comfortable as the recording secretary.

Paying the Recording Secretary:

- Ken Jenny expressed concern as to how the cost of the secretary would be covered. Don said that in the past, EnCana had paid the costs alone but were no longer willing to do that. The industry representatives decided that they would share the costs of the secretary in the same way that they share the facilitator costs.

Meeting Minutes:

- Ken Jenny inquired about still receiving hard copies of meeting minutes in the mail but could they eliminate unnecessary hard copies from being mailed out. The communication list should be updated as to who can receive an email copy and who needs to receive a hard copy of minutes via mail in an effort to reduce costs.

ACTION ITEM

Managing Roster:

- Terry Wildman questioned who will manage the roster of who pays the secretary when. Previously, the Facilitator has been on a roster basis, therefore it was decided that the Recording Secretary should submit her bill to the facilitator and they will look after it.

REVIEW OF ACTION ITEMS

- Melinda advised that Paul does have the map of the Battle Lake area as previously discussed, and it would be available for the next meeting.

INDUSTRY UPDATES

EnCana Update:

- Don Letwinetz advised the group of their upcoming plans. See the following:

Area Developments

- ~ EnCana is in the **very** early stages of planning development in the area.
- ~ Mineral applications [Spacing and Holding Applications] have been sent out to:
 - mineral owners including lessors, lessees and freehold – surrounding the sections in question.
 - surface landowners – within the section of the application. [Note: adjacent surface landowners are not notified]
 - these notifications are in accordance with Directive 65
- ~ As mineral applications may take a number of months for approval – they are submitted early in the planning process.
- ~ Applications are for the Glauconitic Zone – sweet gas

Very Important

- ~ Approval of mineral applications DO NOT provide the operator permission to drill wells. Separate well license applications still need to be completed.
- ~ Mineral applications are strictly for SUB-Surface activities – and do not imply or prescribe surface locations.

Section 03-046-02W5M

- ~ All of Section 03 is located within the current mapped boundaries of the Watershed
- ~ EnCana has recently acquired the existing well located at 13-03-046-02W5M – previously owned by ConocoPhillips.
- ~ This well is currently producing from the Glauconitic Zone
- ~ Potential for 3 horizontal wells
- ~ Drilled from a common surface location [pad site]
- ~ 1 well is targeted to be drilled in Q3 or Q4 – 2009 [other two – likely 2010 drills]
- ~ Other wells contingent on successful drilling and completion results and Capital budget
- ~ Would like to find a suitable surface location in adjacent Section in the SW of 02 – which is also, within the Watershed.

Section 35-045-02W5M

- ~ Portion of the NW of Section 35 is located within the current mapped boundaries of the Watershed
- ~ No wells currently producing within the section
- ~ Potential for 2 horizontal wells
- ~ Drilled from a common surface location [pad site]
- ~ 1 well is targeted to be drilled in 2010
- ~ Other wells contingent on successful drilling and completion results and Capital budget
- ~ Would like to find a suitable surface location in adjacent Section in the NW of 26 – which is next section south, outside of Watershed

Section 33-045-02W5M

~ North and East portion of Section 33 is located with the current mapped boundaries of the Watershed.

~ Potential for 3 horizontal wells

~ Drilled from a common surface location [pad site]

~ 1 well is targeted for Q3 – Q4 of 2009 [other two – likely 2010 drills]

~ Would like to find a suitable surface location in adjacent Section in the NE of 28 – which is next section south, outside of Watershed

- *Surface locations for these developments have **NOT** been determined.*
- *Pipeline ROW's have **NOT** been determined.*
- *Very preliminary surface scouting is taking place*
 - *aerial and topography investigation*
 - *some ground truthing – preliminary drive-by's & surveying*

Treatment of Areas Outside of Watershed Area:

- Michael Black asked EnCana if they would treat the “grey” areas (areas just outside of the watershed area) the same as the areas inside the watershed area. Don assured him that they would give those areas the same consideration.

Resident's Letter:

- Arnold Renschler, a Battle Lake resident expressed concern over a letter that local residents had received from EnCana regarding their application. He said they were feeling pressured over the time limit allotted to respond to the application (only 15 days) to all that EnCana was proposing. Since the point of the group was for industry to deal more openly with residents, some were upset that it seemed like “business as usual”.

Don explained that they were only in the preliminary stages, and he presented to the group at first opportunity (he was not aware of the applications at the last meeting). He also stated that the 15 days is not a strict date. He says that EnCana does want to work with residents.

Some industry rep's explained that sometimes the letters come from their Head Office and are sent out to residents before the Rep's are

aware of the projects. They also said that the time limit is mostly just a guideline. Any concerns received after the deadline would still need to be addressed. Arnold inquired if EnCana could come to the next meeting and have more discussion about what EnCana is proposing with more residents present because residents would like to suggest another area in close proximity.

The facilitator asked if the discussion at the meeting would count as sufficient objection to the application. Don agreed that it would.

Arnold will discuss more about the matter with Don after the meeting.

Ideally, community members would be interested in participating in the preliminary planning before going ahead with any applications.

Dione agreed that they aren't brought in until things have already started but she is starting to fill in those gaps by trying to attend one planning meeting monthly within her own organization.

In order to prevent these situations from happening, Ken Jenny asked that a draft of BMP be sent to EnCana's Calgary office. Dione McGuinness from Conoco-Phillips suggested that the most recent copy of BMP's be sent out again to all industry.

ACTION ITEM

Letter from Darcy Allen

- Don Letwinetz read the following letter sent by Darcy Allen.

I had some good conversation with the folks at Imperial – regarding the reclamation/remediation project at the abandoned 03-23-046-02W5M facility site.

I spoke with both Robyn Cole and Andy Biblow. Robyn is managing the “Technical” side, and Andy handles the “Land & Stakeholder” engagement piece.

Long story short.

--Imperial is in the final stages of gaining remediation approvals from AENV. They expect to have all approvals in hand within the month.

--They have engaged the County of Wetaskiwin with their project plans, and consulted the municipality on any road use considerations.

--They have agreed to provide the Battle Lake Synergy Group with an update, once they have:

- *all the AENV documentation in place*
- *permission from the Landowners to disclose information*

They will likely be prepared {pending above considerations} to provide a 15-20 minute overview, c/w Q & A – for our March or April meeting.

*--They are not planning any activity until sometime after break-up
 --They will not be using Battle Lake Trail –as a main route for transportation. They will be constructing a temporary access out of the site, and from what I understand—is going to be the North and East of the plant site—connecting to a better grade of county road.*

Coffee Break

- Melinda recessed the meeting at 8:20pm for a coffee break. The meeting reconvened at 8:33pm.

During the break, Don asked where the name tags that Debbie had previously for the meetings. It was decided that they should be retrieved from her.

ACTION ITEM

Baytex Update:

- Still working on the solvent acid squeeze on the wells discussed at the last meeting, 02-27-046-02-W5M and 10-27-046-02-W5M.
- Nothing has been done yet on 12-23-046-02-W5M.

Conoco-Phillips Update:

- Location 6-26 complete.
- Dione explained about an incident on January 17, 2009. A truck slipped through an icy T-intersection and tore up some mailboxes. She assured that temporary ones were put in place until the new mailboxes arrive. And she said that the site had been cleaned up properly.
- Dione extended a sincere apology regarding a miscommunication. She explained that they had tried to get permission from landowner to test a water well but had been denied. Conoco attempted to test again the next day, but was unable. However, crew believed that the test had

been completed and went ahead with fracing. Dione claimed that even at the VP level it was agreed that it can never happen again.

Advantage Update:

- Nothing to report.

Trilogy Update:

- There is a tentative hearing for drilling at location 16-02-46-2-W5M scheduled for April 29/09.

Scollard Update:

- No immediate plans. They had successfully drilled and tested at 1-30-46-1- W5M. Just routine maintenance on wells 14-24-46-2-W5M and 15-25-46-2-W5M.

Penn West Update:

- Electrification of sites: 1-32-45-1-W5M, 7-32-45-1-W5M, 10-32-45-1-W5M and 14-32-45-1-W5M. Fortis holes are up. Down hole extension done on 10-31-45-1-W5M.

LANDOWNER UPDATES:

Warburg Pembina Surface Rights:

- Karl Zajes reminded the group of the meeting on Feb. 10th (2nd Tuesday of each month), starting at 7:30pm at the Warburg Community Hall. There would be an information package on the Clean Air Strategic Alliance.
- Karl also informed the group that TransCanada has 25,000 km of various pipelines being reclassified. Nova wants Ottawa to regulate. He pointed out that Federal and Provincial regulations are very different. Up till now landowners have been protected by provincial regulations, but what will happen with the shift occurs. Letters have been sent out. There are questions as to why is Alberta not looking

after it anymore. A petition has been started among landowners. ERCB was asked to respond to this change.

ERCB Responds:

- Steve Harrington from ERCB response to it: “We have no formal stance yet.”

Mike Todorow received his update from Baytex and is satisfied.

ERCB:

- It is not mandatory for oil companies to be part of the BLWSG.

General Concerns:

- International Sovereign wants to drill near the 4-H camp. Ken Jenny asked if they will come to discuss their plans. They have already been invited to the group, what is their response?

ACTION ITEM

- Subcontractor’s I.D.: The group discussed why all sub-contractor aren’t required to show corporate ID on their vehicle? In cases of where landowners/residents would be able to tell who was on their property, or driving reckless, etc. Find out what the corporate policy was regarding ID on subcontractor’s trucks.

ACTION ITEM

- Wetaskiwin Synergy Group: Dionne told the group that the Wetaskiwin Synergy Group was hosting a meeting at the Lone Ridge Hall on February 26, 2009. Doors open at 6:30pm, presentation at 7pm. The topic is “When the Gas Industry Knocks on Your Door”.

Adjournment:

- Melinda adjourned the meeting at 9:02 p.m.

Next Meeting March 5, 2009

In Attendance on February 5, 2009

INDIVIDUAL	REPRESENTING
Don Lenwinetz	EnCana
Terry Kreesse	Baytex Energy
Shane Koss	Baytex Energy
Dione McGuinness	Conoco-Philips
Jeff Grocock	Conoco-Philips
Vern Heidt	Advantage
Sue Dsikun	Trilogy Energy
Landon Whitlock	Trilogy Energy
Myles Aitken	Scollard Energy
Karl Zajes	Warburg Pembina Surface Rights
Nancy Watson	County of Westaskiwin
Terry Wildman	Resident
Raymond Karlson	Penn West
Alan Browse	Penn West
Mike Todorow	Landowner
Issac Doble	Landowner
Steve Harrington	ERCB
Mike Black	Battle Lake Resident
Jim Stevens	Pigeon Lake Resident/PLWA
Arnold Renschler	Battle Lake Resident
Trevor Payne	Pigeon Lake Resident
Michelle Payne	Recording Secretary

