



# **Landowners and Residents You and the Oil and Gas Industry**

*What You Need to Know  
But Were Afraid to Ask!*

*Helpful Information gathered by the Aberdeen Land Pilot Committee*

*Mission: Years after the land agent arrives: company, landowner and landowner's grandchildren will be happy with decisions made about the land development*

## Acknowledgements:

Land in Alberta carries two titles and two sets of rights. The surface title gives the landowner ownership of the surface of the land and the right to work it. The mineral title gives the company or person who owns the minerals under that land the right to explore for oil and gas. The mineral owner needs access to the land surface to drill for and produce oil and gas. Two important conditions apply to the operator's/licensee's right to explore. First, drilling and production activity must be done in a way that is environmentally and technically acceptable. Second, an operator/licensee must operate in ways that cause the least possible interference with the landowner's use of the land.

This guide has been compiled for the community. The residents and landowners of Aberdeen wanted to share information learned during the EUB Aberdeen Land Pilot Project. We hope this will assist landowners to become informed of their rights when oil and gas development is considered on their land.

### **Aberdeen Pilot Committee Members:**

#### **Community Representatives:**

Debbie Becker Matthie

Maggie Dulaney-Brecknock

Lorna Gresham

Dave Hoar

Roy Sparks

Rick Tams

Tim Towle

*Community Alternates: Leigh Bilton, Dale Lowry, Greg Quesseth, Kevin Stinson*

#### **Red Deer County Representatives:**

Penny Archibald

Earl Kinsella

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#### **Industry Representatives:**

Wendy Ross—EnCana

Doug Chrumka—EOG

Doreen Rempel—Quicksilver

*Industry Alternates: Barb Heemeryck, EnCana; David Morris, Quicksilver; Jason Nabozniak, EnCana; Chris Riege, EnCana; Raelynn Thomson, Quicksilver*

#### **EUB (Alberta Energy and Utilities Board) Representatives:**

Leo Touchette

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*With additional EUB support from Shaunna Cartwright, Tristan Goodman, David Hill, Jennifer Lutz*



## **Before the Land Agent Arrives:**

- Know the value of your land, the gross income per acre from all sources including carbon credits, possible plans you may have for subdivision and other building sites.
- Be aware of where existing oil and gas wells, pipelines and facilities are located.
- Consider nearby residents – talk to your neighbours.
- Consider joining a local surface rights or synergy group.
- Research oil and gas development by contacting neighbours, community-based groups, industry associations such as Canadian Association of Petroleum Producers (CAPP) or regulatory agencies such as the EUB (toll-free 310-000, 403-340-5454). See contacts on back pages.
- Contact the Surface Rights Board and/or Farmers' Advocate to determine average lease agreement compensation in your area.
- Decide whether or not to have the company pay a qualified advisor to negotiate for you. If so, consider early who this would be and what formal qualifications they need to negotiate on your behalf.
- Obtain and read documents such as *Fair Play* (SPOG), *When the Oilpatch Comes to Your Backyard: A Citizens' Guide* (The Pembina Institute), EUB EnerFAQs 8, EUB *Directive 56: Energy Development Applications and Schedules Appendix 11*, Farmers' Advocate publications.
- During your initial contact, talk to the company about compensation for your time and how this issue will be handled.
- Consider future means for resolving disputes if the contract terms are not fulfilled or become a point of dispute. Are there specific or unusual circumstances which might warrant negotiating a performance bond?
- Decide where a well, pipeline or facility would or would not be acceptable to you and discuss with the company.

## **Before Writing a Contract:**

- Fully understand the proposed development on your land. This might be done through maps or aerial photos that could later form part of the contract.
- If the company representative does not know specific information related to the development under discussion, ask to speak with a representative who does have that specific expertise.
- Look at other contracts, addenda and conditions in other lease agreements. Determine what is important to you and negotiate on those points.
- Be fair, clear and consistent with the company representatives about your main concerns

## Questions to Consider:

- How does the single well, pipeline or facility fit in with other development in the area that the company or other companies are considering for the future? Ask them if they have discussed the total development in the area and ask for a contact person at that other company.
- Will a compressor be installed? What will be the visual, noise and dust impacts of the development?
- When will reclamation occur and how long will it take?
- What is the operator's plan to handle drilling waste?
- How will drilling activities and production affect your land/farming operations? Be specific about placement, size and characteristics of your operation.
- What are the plans to minimize noise levels? What specific noise levels are expected? Ask for a reference noise for comparison so you can understand what a specific level actually means in practical terms.
- Are there existing pipeline right-of-ways, lease sites or roads that could be shared? If you have a reason to ask a company to share these, it must consider the request and incorporate it where feasible.
- What type and volume of traffic might you expect during the various stages of development?
- Are the drilling, pipeline and access road sites acceptable to you or not?
- What will timing of and conditions for drilling and other operations be? You may need accommodations such as:
  - no activity during muddy conditions for minimal disturbance locations
  - seeding and harvest time
  - personal schedules
  - animals on pasture—are there gates to be kept closed?
- What are the nearest domestic water wells you use? Decide if they should be tested. If tested recently, ask the company to share results to avoid over-testing your well. You can request that a certain company test your well, provided it works in the area and is licensed for Alberta.
- Is a "minimal disturbance" road and lease acceptable in your situation or would you prefer something else?
- What specific techniques will be used to control dust and noise issues if they were to arise after the contract is signed and operations are in progress? Always get this in writing.
- What type of grass seed and herbicides are to be used when maintaining or reclaiming pipeline right-of-ways and lease sites?

## Before Signing a Contract:

- **MAKE SURE EVERYTHING AGREED TO IS PUT IN WRITING AND IS SPECIFIC**, e.g. Fencing: 4-strand barbed, 7-foot, 3 to 4-inch pressure-treated post fence. If it is not in writing, it is not part of the agreement and may not be carried out by the company or its contractors.
- **DO NOT SIGN** until you are sure all your questions are answered and you are completely comfortable with the terms.

- **DO NOT FEEL PRESSURED** to sign anything. It is your decision whether to sign or not and you don't have to sign.
- You may consider hiring a lawyer or other qualified individual (must meet requirements of Land Agent Licensing Act) to review the contract. You can ask the company to reimburse these costs.
- If you cannot reach an agreement, the EUB has a neutral Appropriate Dispute Resolution (ADR) process that can be engaged to resolve disputes at no charge to the landowner or resident. If a resolution is still not possible after an ADR process, an EUB hearing may be necessary. A hearing is a process that results in a legally binding decision on future development. Funding for expenses is available to landowners who request it if they have been granted standing at the hearing.

## **What you can do after you have signed the contract:**

- If you have a question or concern, contact the company directly to resolve the problem.
- If you need assistance, call the EUB at 310-0000 then 403-340-5454. They will help you through the process and take action if within EUB jurisdiction. In case of an oil or gas emergency, EUB representatives are available at 340-5454, 24 hours a day, 7 days a week, 365 days a year.
- If the problem is outside EUB jurisdiction, they will continue to assist to ensure the appropriate agency or resource can help you.

**If you think changes in the manner in which oil and gas is developed in Alberta are required, we suggest contacting your MLA and/or joining a local synergy or surface rights group to lobby for change.**

## **Additional Resources**

### **EUB (Alberta Energy and Utilities Board)**

Red Deer Field Centre

To report a petroleum emergency or file a complaint, call the 24-hour number (403) 340-5454 (toll-free by first dialing 310-0000)

For general inquiries

P: (403) 297-8311 F: (404) 5136 E-mail: [EUB.Inquiries@eub.ca](mailto:EUB.Inquiries@eub.ca)  
[www.eub.ca](http://www.eub.ca)

Primary regulator of oil and gas industry, setting the standard through regulations and enforcing those regulations related to wells, facilities and pipelines

### **Alberta Environment (AENV)**

P: (780) 427-2700 (toll-free by first dialing 310-0000) F: (780) 422-4086

To report an environmental emergency or file a complaint:

Call the **24-hour Environment Hotline at 1-800-222-6514** toll-free

If using a cellular phone, on Telus Mobility system only, dial #7378

[www.environment.gov.ab.ca](http://www.environment.gov.ab.ca)

Responsible for granting licenses for water diversion and use of surface water

AENV sets environmental standards including those related to air quality

AENV is responsible for monitoring conservation, reclamation and land remediation

### **Alberta Sustainable Resource Development (SRD)**

P: (780) 944-0313 F: (780) 427-4407

**24-hour Environment Hotline at 1-800-222-6514** toll-free

[www.srd.gov.ab.c](http://www.srd.gov.ab.c)

Responsible for regulating seismic exploration, reviews site selection on public lands

**Canadian Association of Petroleum Producers (CAPP)**

P: (404) 267-1100 F: (403) 261-4622 E-mail: [communication@capp.ca](mailto:communication@capp.ca)  
[www.capp.ca](http://www.capp.ca)

**David Thompson Health Region**

P: (403) 341-8622 F: (403) 8632 E-mail: [info@dthr.ab.ca](mailto:info@dthr.ab.ca)  
Toll-free Information Line: 1-800-752-8957  
Becomes involved when public health issues arise

**Environmental Law Centre**

P: 1-800-661-4238 toll-free F: (780) 424-5133 E-mail: [elc@elc.ab.ca](mailto:elc@elc.ab.ca)  
[www.elc.ab.ca](http://www.elc.ab.ca)

Provides free environmental and natural resources law information  
Maintains a lawyer referral list for those seeking legal representation

**Farmers' Advocate of Alberta**

P: (780) 427-2433 (toll-free by first dialing 310-0000) F: (780) 427-3913  
E-mail: [farmers.advocate@gov.ab.ca](mailto:farmers.advocate@gov.ab.ca) [www.agric.gov.ab.ca](http://www.agric.gov.ab.ca)  
Assists farmers in their dealings and negotiations with the energy industry

**Parkland Airshed Management Zone (PAMZ)**

Multi-stakeholder group involved in monitoring air quality  
[www.pamz.org](http://www.pamz.org)

**The Pembina Institute**

Non-governmental environmental organization  
[www.pembina.org](http://www.pembina.org)

**Red Deer County**

P: (403) 350-2150 F: (403) 346-8940 E-mail: [info@reddeercounty.ab.ca](mailto:info@reddeercounty.ab.ca)  
[www.reddeercounty.ab.ca](http://www.reddeercounty.ab.ca)

Municipal authority responsible for County roads and weed control

**Small Explorers and Producers Association of Canada (SEPAC)**

P: (403) 269-3454 E-mail: [info@sepac.ca](mailto:info@sepac.ca) [www.sepac.ca](http://www.sepac.ca)

**Surface Rights Board**

P: (780) 427-2444 (toll-free by first dialing 310-0000) F: (780) 427-5798  
Land Compensation Board P: (780) 422-2088 F: (780) 427-5798  
Deals with matters of compensation

**Synergy Alberta**

P: 1-866-862-8188 (toll-free in Alberta) E-mail: [info@synergyalberta.ca](mailto:info@synergyalberta.ca)  
[www.synergyalberta.ca](http://www.synergyalberta.ca)

Provincial resource, umbrella organization for community-based groups working together on oil and gas issues

**Local Groups (that consented to be included in list):**

**Butte Action Committee**

Judy Winter (403) 722-2530 [www.waterdropcycle.com](http://www.waterdropcycle.com)

Protection of Alberta's surface water and aquifers by encouraging sound water management

**C-MAG (Central Mountain View Action Guild)**

Wayne Notley (403) 556-2513 or Reg Watson (403) 556-3985

**Sundre Petroleum Operators Group**

Janet Marr (403) 638-5117

[www.spog.ab.ca](http://www.spog.ab.ca)

Publisher of landowner guide, *Fair Play*