2017 Energy Exploration Advisory Committee

Annual Report



Background of the Energy Exploration Advisory Committee

Committee was formed in 2003 at the request of landowners.

 Mandate is to ensure oil and gas development in Strathcona County is carried out with the least possible impact on the environment, health, safety, and quality of life for the residents of the community.

• Mandate is achieved through education and awareness



Strathcona Protocol

- The committee has produced a reference document.
 - Outlines the expectations to industry
 - Provides landowners information and checklist of considerations for surface and pipeline agreements.
 - Has been vetted by some industry and county departments
 - Purpose is to engage in a process, be pro-active and reduce conflict



Strathcona Protocol

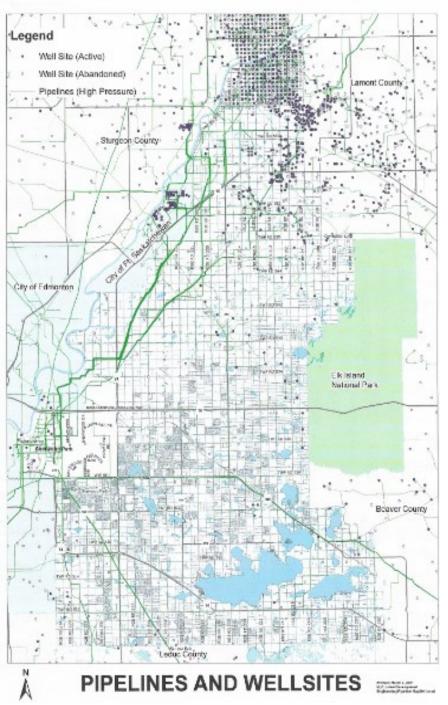
Contents

- Public notification relating to wells and pipeline
- Defines and comments on Seismic Survey
- Water Quality
- Flaring and venting
- Environment protection and reclamation
- Noise and Light Pollution
- Emergency Preparedness
- Negotiating Surface Rights and Right of Way Agreements
- Considerations Checklist for Surface Lease and Pipeline Agreements
- Seismic Operations and Landowners Rights



Strathcona Protocol

- Authority for Oil and Gas Development is primarily under the provincial government, Alberta Energy Regulator (AER) excepting County roads, County owned lands and infrastructure.
- Other changes to energy proposals are requests of industry that are implemented as a result of relationship building.
- Activity in the County is primarily in the Strathcona Industrial Area and the northern part of the County.



2017 Energy Exploration Advisory Committee Activities

- Reviewed past AAMD&C and AUMA resolutions on abandoned wells and reclamation. Review findings referred to Governance Committee.
- Met with Oil and Gas Extraction and Transportation Committee,
 representing the Towns of Bruderheim and Lamont and the County of
 Lamont to draft and obtained agreement on standards for oil and gas.



Assisted the 2017 Landowner Workshop.



2017 Committee Activities

- Redwater Energy Insolvency
 - Court decided that the creditors are paid first before clean up and reclamation is done on wells owned by bankrupt companies.
 - Affected County landowners were sent a letter on the situation and the receiver contact information to start the rental recovery process
 - through the Alberta Surface Rights Board.
 - Committee researched similar insolvency of Lexin Resources and found no impact to county



2017 Committee Activities

Orphan Wells



- Committee research the Orphan Wells in the province and County
- There are 63,000 abandoned wells in Alberta
- Clean up and reclamation for work comes from the industry financed Orphan Well Association.
- Current rate it will take 25 years; underfunded



2017 Committee Activities

Provided a Board Member Handbook (from Northern Alberta
 Development Council) as a resource for EEAC and other committees

 Attended an orientation by Alberta Energy Regulator (AER) on use of their website and regulator responsibilities

 Provided water information for municipality of Bruderheim related to hydraulic well fracturing project.



2018 Expected Work

Work of Committee supports the Strategic Plan:



- Governance-Increase public involvement and communication with the community on issues affecting the County's future
- Environment- Minimize impacts on the community and incorporate environmental considerations
- **Economic**-Develop strong relationship with neighbouring municipalities.
- **Social** Provide a climate of safety for individuals and neighborhoods.



2018 Expected Work

- Update / Revise the Strathcona County Protocol as required
- Assist / Attend with the Landowner Oil and Gas Workshop
- Meet with the Oil and Gas Energy Extraction and Transportation Committee
- Build relationships with other County Committees, municipalities and agencies (such as Agricultural Services Board, Lamont County, AER)
- Review current landowner oil and gas related issues and research and recommend solutions. (Orphan Wells, Fracking, Drilling Mud, Clubroot, etc.)



Questions?

Thank you for your time today. The presenters were:

- •Richard Paterson, Chairperson, Energy Exploration Advisory Committee
- •Lori Mills, Energy Exploration Liaison

