

May 2nd, 2019
3:30 p.m.
Leslieville Hall



Attendance:

Adam Payzant, Bellatrix
Chad Bunch, Bunch Projects
Cole Thomson, TC Energy
Connie Sands, Community
Don Riddle, Keyera
Eric Peats, County
Gerald Knopp, Community
James Lutes, Bonavista
Jen Lough, AER

Jim Andrishak, Paramount
John Reid, Community
Judy Winter, Community
Laurie Bowers, Community
Marcie Nieman, Shell
Marvin Hubl, Community
Michelle Swanson, Community
Murray Welch, Community
Paul Murray, Youth/Student

Ron Hallahan, Community
Ryan Sands, Youth/Student
Stuart Trentham, Tidewater
Tim Hoven, County
Trevor Van Maarion, Paramount
Tyler Klinkhammer, Mountaineer
Vanessa Cartwright, Keyera
Rick Anderson, facilitator

Introductions:

Review Agenda:

- Add Social Media to 'Discussion Items' if time permits

Review March 2019 meeting notes:

- Approved

Updates / Action Items:

- Several members attended the Clear Water Landcare's Celebrating Our Successes event in March and felt it was very informative and well done. Murray thanked the industry members that sponsored and participated.
- Membership invoices have gone out and some cheques have started coming in.
- A form letter was received from Bellatrix encouraging companies and organizations to be active in supporting industry in our province. It was noted by the group that the support of companies being WCS members helps us to host events and provide venues for supporting responsible industry in the province. Our April 11th Public Information Night with Cody Battershill was an example of this.
- April 11th Info Night debrief
 - Copies of the evaluation summary were distributed. Attendance was similar to previous events, but there were several new faces in the crowd for this event. Feedback was very positive. Much of the Q&A was focused more on comments. It was noted that it was great having local business owners provide some opening comments for context. It was also noted that the timing of the election added a bit of political undertone to the meeting, but presentations remained non-partisan.

Member Updates / In the Neighborhood:

Members present gave verbal updates. Only written updates submitted are included in the meeting notes. Attendees shared activity updates, and information about local events.

Generally noted:

- Chamber tradeshow is set for May 3rd & 4th at the arena in Rocky.
- SPOG is hosting an information session on Seismicity at the Crammond Hall on May 8th.

Written updates

Repsol

Water operations are kicking off this week from Clearwater River to our freshwater storage site by Qually's corner at SW 3-38-7W5M. Temporary above ground hoses will be installed for 30-40 days as we fill the pond. The water will then be transported from the storage site to our padsite at 16-31-37-6W5M. The water will be used for our completions at 16-31-37-6W5M later this summer. Two wells are being completed at this site.

We are also completing a well this summer at 7-2-39-6W5M however it is the Red Deer River Basin and we are not permitted to use water from Clearwater River. We will be using water from a third party.

AER

- **Centralized Fluid Storage:** The Centralized Fluid Storage (CFS) project was created to develop regulatory requirements that would allow hydraulic fracturing operators to offset their fresh water use by storing larger volumes of flowback and produced water for reuse. This project has been postponed indefinitely.
- **Board of Directors:** The AER's board of directors sets the general direction of the AER's work. Two directors of the AER board, Ed Whittingham and Linda Coady, resigned effective April 28, 2019.
- **Redwater Decision:** The Supreme Court of Canada ruled in favour of the AER and the Orphan Well Association's appeal of the Redwater Decision. While we are pleased with the Supreme Court's decision, we know we must change the way we manage liability to ensure that end-of-life obligations are addressed. Please see the AER's website for more information on the Redwater Decision and the action the AER is taking (<https://aer.ca/protecting-what-matters/holding-industry-accountable/redwater>)
- **Seismic Event and Bulletin 2019-07:** On March 4, an earthquake measuring a 4.16 magnitude was detected approximately 12 kilometres south of Sylvan Lake. While investigating this seismic activity, as a precaution, the AER recommends that operators with hydraulic fracturing operations in the Red Deer area follow the recommended measures in the bulletin (<https://aer.ca/regulating-development/rules-and-directives/bulletins/bulletin-2019-07>). Please also see the AER's webpage on Seismic Activity (<https://www.aer.ca/providing-information/by-topic/seismic-activity>).
- **Trident Exploration:** The AER has been working with Trident Exploration for several weeks to address concerns about its ability to continue operating. The majority of Trident's operations are in natural gas, which has experienced weak prices for several years. While we are aware of the difficult market conditions Trident has endured, we also have a responsibility to ensure that our requirements are being met.

After Trident informed us that they would soon be unable to continue operations, we ordered them to properly manage their 4,400 licensed sites by addressing end-of-life obligations through decommissioning its sites, posting financial security, or transferring the sites to responsible energy companies. However, on April 30, without responding to our order or addressing their regulatory obligations, Trident's directors ceased operations, terminated employees and contractors, and then resigned. Most of Trident's wells are still operating. The AER will ensure that the public and the environment are protected.

The Court of Queen's Bench has approved the Orphan Well Association's application to appoint a receiver over Trident Exploration Corp.'s assets. Having a receiver in place will ensure Trident's assets

end up in the hands of responsible operators and that end-of-life obligations will be addressed to the greatest extent possible.

Receivers provide for the care and custody of the licensed sites until they are transferred to a responsible operator or designated as orphans. The receiver is, by court order, vested with the authority to package and sell Trident's AER-licensed assets, which would result in a transfer application to the AER. The AER makes the final decision on transfer applications after ensuring that the purchaser is an eligible licensee and the application meets all requirements.

<https://aer.ca/providing-information/news-and-resources/news-and-announcements/news-releases/news-release-2019-05-01>

http://www.orphanwell.ca/wp-content/uploads/2019/05/OWA-Media-Release-Trident-Exploration_2019-05-03.pdf

Discussion Items:

- Outreach / Information sessions
 - Discussion that the group should consider doing another “Responsible Use of The West Country” type info night next spring. It has been a number of years since our last one and the topic remains very relevant. Suggestion that we could provide updates on some of the outcomes from the previous workshop as part of this event.
 - Suggestion that we look at a liability management / orphan wells / bankruptcy theme for the fall info night. Look to provide a bit more of the context and background around the whole issue rather than just a focus on orphan wells.
 - Jen will coordinate having some more information on this presented to WCS at our next meeting. This can help the group in gaining a better understanding for themselves and in identifying any specific focuses for the fall session.

Next Meeting: Next regular WCS meeting will be June 6th, 3:30pm, supper at 6:00pm at Leslieville Hall.