

## Minutes for Committee Ratification

Coalbed Methane/Natural Gas in Coal Multi-Stakeholder Advisory Committee (the Committee)  
Meeting Minutes  
Red Deer Room, Red Deer Lodge  
August 16, 2004  
9:30 to 2:00

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### In attendance:

Mike Ekelund (chair)	Department of Energy
Peter Watson (alternate chair)	Department of Environment
John Hermans	Alberta Agriculture, Food and Rural Development
Mary Griffiths	Alberta Environmental Network Society
Sharil Baumgardner	Alberta Environmentally Sustainable Agriculture Committee
Bob Willard	Alberta Energy & Utilities Board
Tom Nahirniak	Alberta Surface Rights Federation
Don Bester	Butte Action Committee/Rimbey & District Clean Air People
Deryl Hurl	Canadian Association of Petroleum Landmen
Mike Gatens	Canadian Association of Petroleum Producers / Canadian Society for Unconventional Gas / Small Explorers and Producers Association of Canada
David Pryce (observer)	Canadian Association of Petroleum Producers / Canadian Society for Unconventional Gas / Small Explorers and Producers Association of Canada
Brad Murray	Freehold Petroleum & Natural Gas Owners Association
Gene Roach (facilitator)	Community Development
Karen Henderson (secretary)	Alberta Energy
Sharla Rauschning (presenter)	Alberta Energy
Rhonda Wehrhahn (presenter)	Alberta Energy
Nga de la Cruz (presenter)	Alberta Environment
Barry Cole (alternate)	Sustainable Resource Development
Absent:	
Phyllis Kobasiuk	Alberta Association of Municipal Districts & Counties
Gene Rawe	Alberta Beef Producers
John Jensen	Canadian Association of Petroleum Producers / Canadian Society for Unconventional Gas / Small Explorers and Producers Association of Canada
Robert Donick	The Coal Association of Canada
Dave Bartesko (alternate)	Sustainable Resource Development

## **Welcome and Introductions**

The meeting started at 9:30.

## **Review/Ratification of Documents**

### ***ACTION***

*Minutes from July 13 were accepted, pending the following amendment:*

- *On page 3, under “Water Issues Working Group”, second bullet, delete the word “Government”*

## **Impact of Oil and Gas Activity on Rural Residential Property Values - Report**

Bob Willard distributed and discussed highlights of this report as information for the MAC members. The MAC suggested the Orphan Well Association could consider developing a committee to focus specifically on pipelines no longer in use.

### ***ACTION***

- *Forward a copy of the report to the Chair of the Surface/Air Working Group (SAWG) for review as to whether a similar report should be undertaken for NGC at some point in the future.*
- *Bob Willard will follow up with Hal Knox regarding any rules relating to removal of pipelines after they are no longer in use.*

## **Oil & Gas Reclamation & Remediation Advisory Committee - Update**

Peter Watson advised the committee is working on a report examining the impact of contamination to land from oil and gas activity. The committee will provide recommendations on regulatory liability closure. Legislation may be amended to clarify who is responsible and accountable for the clean up. Changes will be brought forward in the fall to make the *Environmental Protection & Enhancement Act* more transparent.

### ***DECISION***

- *Alberta Environment (AENV) is addressing the contamination/liability issue. The SAWG will be advised by their Chair that no additional steps need to be taken specifically for NGC.*

## **Information Summary Document**

The synopsis is available on the web and copies were mailed to those who requested them. The summary document containing the question and answer portion will be forwarded to the MAC for review and approval.

## **EUB well data**

Bob Willard provided copies of two new EUB Bulletins; “CBM well list to December 31, 2003” and “Petroleum Registry of Alberta - Changes to Well Statuses for Wells Completed in Coals and Tracking of Coalbed Methane Activity in Alberta”. The EUB will continue to update the information bulletins on a periodic basis.

### ***ACTION***

- *The MAC requested Bob Willard advise the EUB to include the names of companies for all well types, including experimental wells, on the listing included in the information bulletin.*

## **Recompletion of Wells**

The MAC briefly discussed the notification requirements for non-saline water production, the need to raise awareness of environmental rules and of triggering an EUB review when companies recomplete/drill up hole in a well. Also discussed were the steps undertaken to notify landowners when a well was to be recompleted and the use of drilling mud and what kind of testing is done on it.

## ***ACTION***

- *The Surface/Air Issues Working Group will consider and review the EUB requirements and notification for up hole drilling.*
- *The Water Issues Working Group will consider and review implications of up hole drilling where non-saline water may be produced.*
- *The EUB and AENV will look into existing processes for well recompletion e.g. when a company does undertake recompletion of a well, is a letter sent out by industry or the EUB to advise landowners? What if the original application was for natural gas in sand and now is for natural gas in coal? When is a new application necessary?*
  - ◆ *Bob Willard will investigate the testing and frequency requirements for drilling mud and provide an update at the next meeting.*

## **Royalty Working Group**

Sharla Rauschnig provided an update on behalf of the working group Chair. Data collected to date was reviewed at the July 22 meeting. Letters will be sent to industry to request further analysis and additional data. The next meeting will be held in the fall.

## ***ACTION***

- *A status update on the Royalty Working Group will be provided at the next MAC meeting, including highlights of their progress, any areas of concern or issues on which consensus has not been reached. The MAC will be provided with a one to two page summary of issues/recommendations and any minutes/documents from the working group.*
- *An alternate will provide the update to the MAC if the Chair is unable to attend.*
- *The working group Chairs will be notified of the MAC request above to clarify each issue and recommendation, provide information as to the pros and cons, where consensus was/was not reached and the reasons why.*

## **Expanded Land Tenure Working Group**

Rhonda Wehrhahn distributed a summary of the July 28 meeting issues and recommendations. The issues include: notification to surface landowners, notification to coal owners, and multiple agreements and its impact to the surface. They will continue to work with SAWG on overlapping issues.

Two additional recommendations were developed

- *Notification of development after the sales process*  
They want to ensure the process is user friendly and information available will include a map or picture as to the location of the sale. The information should also be made available in local municipal offices for individuals who do not have access to the web.
- *Tenure system should be more adaptable*  
The tenure system needs to be more adaptable and flexible towards recommendations or decisions made by SAWG.

In general, the greater the number of leases stacked on a specific site, the probability of more wells tend to increase, although an exact correlation between the two is not always that straightforward. There are many factors that influence the number of wells, including geology and company philosophy.

## ***ACTION***

- *Rhonda will update the summary and provide to the MAC.*
- *A status update on the Expanded Mineral Land Tenure Working Group will be provided at the next MAC meeting, including highlights of their progress, any areas of concern or issues on which consensus has not been reached. The MAC will be provided with a one to two page summary of issues/recommendations and any minutes/documents from the working group.*

- *An alternate will provide the update to the MAC if the Chair is unable to attend.*

### **Surface/Air Issues Working Group (SAWG)**

Barry Cole advised the issues write-ups are behind schedule. Gene Roach will facilitate their next meeting scheduled for September 7<sup>th</sup> and 8<sup>th</sup>.

#### ***ACTION***

- *A status update on the Surface/Air Working Group will be provided at the next MAC meeting, including highlights of their progress, any areas of concern or issues on which consensus has not been reached. The MAC will be provided with a one to two page summary of issues/recommendations and any minutes/documents from the working group.*
- *An alternate will provide the update to the MAC if the Chair is unable to attend.*

### **Water Issues Working Group**

Nga de la Cruz provided an update from their July 14 meeting. Presentations were made by EUB and AENV. The working group reviewed “Alberta Environment Guidelines for Groundwater Diversion” which was handed out at the spring information sessions. Issues discussed included; the appropriate time for testing water, and why 4000 ppm/TDS is used as the cut off for saline/non-saline water. An issue that by both AENV and the EUB should address is the difficulty in obtaining data on water quality. A writing group is being formed to ensure the working group’s report is technically correct but still understandable. Additional meetings may be necessary to meet the November 1 deadline. Their next meeting is September 15.

#### ***ACTION***

- *Peter Watson will review “Alberta Environment Guidelines for Groundwater Diversion” to see if there is anything that requires follow up by AENV. They will wait to receive the recommendations from the Water Issues Working Group.*
- *A status update on the Water Issues Working Group will be provided at the next MAC meeting, including highlights of their progress, any areas of concern or issues on which consensus has not been reached. The MAC will be provided with a one to two page summary of issues/recommendations and any minutes/documents from the working group.*
- *An alternate will provide the update to the MAC if the Chair is unable to attend.*

### **Timing of Report Release**

A MAC member expressed a desire to have the MAC report completed prior to November. Both Mike Ekelund and Peter Watson advised the NGC consultation is a priority and this process is part of their respective department’s business plan. There was general agreement among the members that sufficient time needs to be taken to ensure the best possible report is presented to government, including the right set of recommendations.

#### ***DECISION***

- *The various working groups will continue to work towards currently established deadlines as it is not appropriate to accelerate the process.*

### **Options for Public Input on Draft MAC Report**

Sharla distributed a summary document and presented two options – Option A would involve receiving written feedback from the public, either through a comment form on the web or by mail-outs to individuals requesting the form. Option B would include this as well as public meetings. Some of the members did not support holding additional public information sessions. Tom Nahirniak of the Surface Rights Board recommended MAC members speak to different community organizations and various associations about the MAC recommendations. Public information sessions will be considered once the final MAC report has been released.

## ***ACTION***

- *The MAC agreed to Option A, and in addition, will include accepting and soliciting invitations to various stakeholder groups, including those represented at the MAC, in order to present the MAC recommendations and receive input.*
- *A communications plan will be developed to outline how draft recommendations will be communicated to ensure high public visibility. Suggestions included a joint news release, participation in the radio program “Call of the Land”, use of the web, creation of a 1-800 number to provide feedback and a joint press conference called by the Minister.*
- *As some of the MAC members suggested remuneration for the travel time incurred for presenting at future public information sessions, DoE will look at available options.*

## **Process for Follow-up on Recommendations**

MAC meetings will continue to March 2005. In February 2005, the MAC will review their progress to determine if further meetings are necessary. The MAC would also like a meeting to be held February 2006 to review outcomes, what actions worked, what didn't and where there may be some gaps.

## **Future Agenda Items**

- *Working group status updates.*
- *A communications plan for the draft recommendations.*

## **Next Meeting (9:30 September 13, Red Deer Lodge)**

## **Future Meetings**

October 4  
October 25  
November 1  
November 8  
December 6 (if required)