

# ACROSS THE BOARD

## ELEMENTS OF LIFE CONFERENCE: SYNERGY ALBERTA 2009

October 27 and 28, 2009  
The Capri Centre, Red Deer

The Synergy Alberta Conference 2009 promises a line-up of prominent industry, government, and community leaders, as well as an improved trade show and opportunities to network and meet new people. The conference also includes new elements, including the Synergy Institute and training sessions.

Conference details and registration are available at [www.conference.synergyalberta.ca](http://www.conference.synergyalberta.ca).



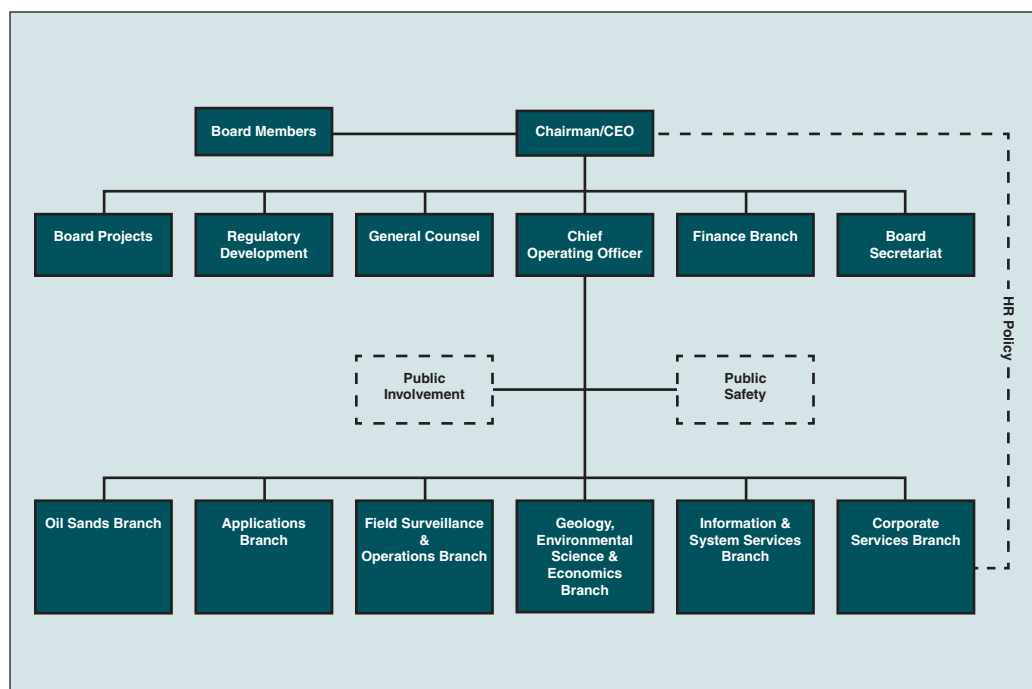
**Inside: Theresa Watson becomes newest Board Member.**

## ABOUT THE ERCB

The Energy Resources Conservation Board (ERCB) is an independent, quasi-judicial agency of the Government of Alberta. We regulate the safe, responsible, and efficient development of Alberta's energy resources: oil, natural gas, oil sands, coal, and pipelines.

September 2009

## ERCB reorganizes to meet the needs of Alberta's energy future



**B**uilding on its reputation of being the world's foremost regulator of conventional energy development, the ERCB is refocusing to support a new vision: To be the best nonconventional regulator in the world by 2013.

This new vision acknowledges that Alberta's future resource development will centre on nonconventional resources such as unconventional gas and in situ bitumen recovery. It also reflects the nature of innovation needed to regulate these resources.

The ERCB's new direction focuses on the "drivers of change" in Alberta's resource industry, which include a shifting resource base, regulatory reform, and managing legacy assets from maturing oil and gas plays.

Bitumen production eclipsed conventional oil output in 2001, while continued growth of major mineable and in situ oil sands developments is expected well into the future. As well, Alberta has massive potential for nonconventional coalbed methane development and is seeing increased interest in tight gas and shale gas resources.

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## RECENT ERCB PUBLICATIONS

### DECISIONS

**September 15, 2009:** Decision 2009-056: ConocoPhillips Canada Resources Corp. Applications for a Well Licence and a Facility Licence in Westeros South Field

**September 8, 2009:** Decision 2009-055: Standard Energy Inc. Application for Four Well Licences in Grande Prairie Field

**September 8, 2009:** Decision 2009-054: Theologian Management Ltd. and Highfield Stock Farms Inc. Section 39 Review of Pipeline Licences No. 36967, 36968, and 36976 in Okotoks Field

### BULLETINS

**September 15, 2009:** Bulletin 2009-31: New Directive 075: Oilfield Waste Liability (OWL) Program Issued

**August 26, 2009:** Bulletin 2009-30: Revised Draft Directive 020: Well Abandonment Available on ERCB Web Site for Stakeholder Comment

### DIRECTIVES

**September 15, 2009:** *Directive 075: Oilfield Waste Liability (OWL) Program*

**September 15, 2009:**

*Directive 024: Large Facility Liability Management Program*

**September 15, 2009:** *Directive 006: Licensee Liability Rating (LLR) Program and Licence Transfer Process*

**August 26, 2009:** *Directive 020: Well Abandonment Guide* (Latest release: December 7, 2007; Revised Draft Released: August 26, 2009)

## Theresa Watson becomes newest Board Member

Theresa Watson—an energy industry veteran with more than two decades of experience—has become the ERCB’s newest Board Member.

After graduating from high school in Melita, Manitoba, Watson studied at Montreal’s McGill University, where she graduated with Bachelor of Engineering (Chemical) degree in 1987. She went to work for Mobil Oil Canada as a downhole engineer.

By 1991, married and expecting her first child, Watson needed more flexibility in her life, so she formed her own engineering consulting company, TL Watson and Associates. “Having my own company gave me the flexibility I needed. I was able to schedule around things, so I could work evenings and weekends when I needed to, then be free to go on school field trips and things like that,” Watson says.

Watson’s affiliation with the ERCB began about eight years ago, when her consulting firm began working

on a number of projects around well integrity issues, risk assessment and liability. She became an Acting Board Member in February of 2008, was appointed as a Board Member this past July, and says acting as a panel member on hearings is one of the highlights of her new duties.

“Hearings are hard work, but you learn so much. I’ve definitely learned how to be more patient and a better listener,” Watson says.

“I once was thinking about going to law school and becoming a lawyer, so hearings definitely satisfy that part of my brain. When you’re writing a decision, you think, ‘The law says this, but what does that really mean in this situation and with these people?’ There are such big changes coming in the oil and gas industry, there’s going to be a lot of regulatory reform as we move toward being more non-conventional, and it’s great to have the chance to do my part to make sure it’s done right.”

Watson is looking forward to seeing advances made in areas such as carbon dioxide storage, maximizing the recoverability of conventional sources of oil and gas, and the development of non-conventional energy sources.

“There is so much concern out there about the impacts of the oil and gas industry—environmentally, on the value of people’s property and impacts on people’s lifestyles, not to mention safety. There’s so much we at the ERCB can do, because we have the people on the ground and an incredible wealth of expertise. It’s a great time to be here.”

For now, Watson is learning all she can and trying to stay as active as possible downhill skiing, wakeboarding, and riding horses with her family in their home in Carstairs.

## ERCB reorganizes to meet the needs of Alberta's energy future *(continued from page 1)*

Meanwhile, regulatory reform and integration are essential to allow the ERCB to make certain that resources are conserved, the environment is protected, and public safety is assured as economic and orderly development continues. The development of nonconventional resources and the legacy of maturing oil and gas facilities will require innovative approaches to regulation. This innovation will ensure an appropriate level of regulation, provide fairness to affected parties, and be highly effective in achieving public interest outcomes.

The ERCB has defined three new priorities:

- Improving relations with stakeholders by implementing innovative strategies to balance needs and expectations.

- Increasing capacity with respect to knowledge and expertise of ERCB employees, the leadership within the organization, and effective and timely systems solutions.
- Thinking and acting strategically by initiating a comprehensive review of the organization's capacity with an emphasis on leadership qualities.

The ERCB has also reorganized to better position itself to carry out its new direction. A revised branch structure is as follows:

- Oil Sands Branch—Executive Manager, Terry Abel
- Applications Branch—Executive Manager, Stephen Smith
- Field Surveillance and Operations Branch—Executive Manager, Dwayne Waisman; Chief Operations Engineer, Doug Boyler

- Geology, Environmental Science, and Economics Branch—Acting Executive Manager, Cal Hill

In addition to these executive managers, who report to ERCB Chief Operating Officer Trevor Dark, two positions reporting directly to Chairman Dan McFadyen have also been created: Board Projects, which is headed by Executive Managers Earle Shirley and Andy Warren; and Regulatory Development, led by Executive Manager Cal Hill.

## Sulphur reductions at sour gas plants continue: report

Overall sulphur emissions have fallen by 53 per cent since 2000 and about 15 per cent from 2007 to 2008, according to the ERCB's *ST101-2009: Sulphur Recovery and Sulphur Emissions at Alberta Sour Gas Plants for the 2008 Operating Year*, released over the summer.

The 2009 report outlines improvements that resulted from better performance and lower sulphur throughput in grandfathered plants (plants that failed to meet

*ID 2001-03: Sulphur Recovery Guidelines for the Province of Alberta* requirements for new plants in 2001) when compared to the 2000 baseline. Sulphur emissions have decreased for both grandfathered acid gas flaring plants (down 75 per cent) and grandfathered sulphur recovery plants (down 52 per cent) in 2008 from the year prior.

The report also shows emissions fell approximately 40 per cent from 2000 to 2008 for non-grandfathered

plants. Overall, emissions from grandfathered plants have fallen by approximately 57 per cent from 2000 to 2008. This represents a decrease of approximately 110 tonnes of sulphur emissions and 220 tonnes of sulphur dioxide emissions per day in Alberta.

Since 2000, 15 plants have made upgrades to meet the new requirements, 13 plants have been relicensed, and eight plants have ceased operating.

## UPCOMING PUBLIC HEARINGS

| Application No.  | Applicant                  | Hearing Purpose   |
|--|----------------------------|---|
| 1621054  | New North Resources Ltd.   | Section 39 Review of Common Carrier Order ERCB No. Misc. 2009 - 27, Knopck Field  |
| Hearing Date: Oct 2 – Nov 16   |                            |   |
| 1607608  | Dalhousie Oil Company Ltd. | Section 40 Review & Suspension of Abandonment Costs Order (ACO) 2008-1 and of Filing as a Judgement, Turner Valley Field      |
| Hearing Date: Oct 21 – 22, ERCB Office Calgary, Govier Hall                                  |                            |   |
| 1607112  | Sirius Energy Inc.         | Application for a gas well (10% H <sub>2</sub> S), Crossfield East Field  |
| Hearing Date: Oct 27 – 28, ERCB Office Calgary, Govier Hall                                  |                            |   |
| 1521988  | Milner Power Inc.          | Application for the development and operation of the Milner Power Inc. #14 Mine Project                                       |
| Hearing Date: Oct 28 – 30, Best Western Grande Mountain, 9901-100 Street, Grande Cache, AB   |                            |   |
| 1598361 1599688<br>1599690   | Standard Energy Inc.       | Applications for a multiwell pad with two gas wells (2.34%) and a gas pipeline (0.78% H <sub>2</sub> S), Grande Prairie Field |
| Hearing Date: Nov 5 – 6, Holiday Inn Hotel and Suites, 9816 – 107 Street, Grande Prairie, AB |                            |   |

## PENDING ERCB DECISIONS

| Application No.   | Applicant                       | Hearing Purpose  |
|---|---------------------------------|--|
| 1580026   | Standard Energy Inc.            | Application for two oil wells at ERCB an existing pad site (0% H <sub>2</sub> S), Grande Prairie Field   |
| 1520388 1513051<br>1517148 1520922<br>1517151 1517168<br>1517170 1517176<br>1517160 1520923<br>1512822 1574414<br>1574409 1574366 | Petro-Canada                    | Sullivan Sour Gas Development Project - applications for a facility (15% H <sub>2</sub> S), eleven gas wells and fourteen pipeline segments, Sullivan Creek Area   |
| 1579080 1579141<br>1580400 1567595  | AltaGas Ltd.                    | Application to amend an existing facility (5% H <sub>2</sub> S), construct an acid gas pipeline (80% H <sub>2</sub> S), a gas pipeline (5% H <sub>2</sub> S) and a disposal well (80% H <sub>2</sub> S), Pouce Coupe Field |
| 1612996   | Canadian Natural Resources Ltd. | Phase 2 Section 40 Review request of well licences 0407710, 0407711, 0407712, and multi well battery approval 40425, Eliza Field   |

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### ERCB publications or data

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### Alberta Geological Survey (AGS) documents on geological research

Information Sales  
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Fax: 780-422-1918  
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Web: <www.ags.gov.ab.ca>

### Questions, complaints, problems?

For information or complaints about new or existing oil and gas developments and facilities, we recommend contacting the operating company first. If the company does not respond appropriately, you may contact the nearest ERCB Field Centre.

### ERCB Field Centres (24-hour service)

|                |               |
|----------------|---------------|
| Bonnyville     | 780-826-5352* |
| Drayton Valley | 780-542-5182* |
| Grande Prairie | 780-538-5138* |
| Fort McMurray  | 780-743-7214* |
| High Level     | 780-926-5399* |
| Medicine Hat   | 403-527-3385* |
| Midnapore      | 403-297-8303* |
| Red Deer       | 403-340-5454* |
| St. Albert     | 780-460-3800* |
| Wainwright     | 780-842-7570* |

\*To call toll free from anywhere in Alberta, dial 310-0000 and enter the phone number, including area code, or press zero for a RITE operator.

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