

Mayor, County of St Paul
5015 49 Avenue
St Paul
Alberta, T0A 3A4

July 22, 2013

Vermilion Beach Association
Mike Odynski, President
Laurier Lake,
Vermilion Beach, Alberta

Mailing Address:
c/o 238 Benchlands Terrace,
Canmore, Alberta
T1W 1G1

Regarding CNRL proposed Primary Recovery Scheme Amendment No. 9415 in sections 14, 23, 26 and 35 in TWP 56 RGE 4 W4M.

The Beach Association held its Annual General Meeting July 13th 2013. At this meeting a motion was passed to send our objection to the proposed development as above. We are letting you know of our strong objection to this development and as County tax payers you would respect and support our objection. This area is a nature preserve and as such is a great asset to the area and attracts lot owners from across the Province. Another major concern is the impact to the roads. The roads in our area are not suitable for this sort of traffic impact and such traffic is a danger to vacationers. We already have roads subsiding around the lake and many of the roads need work due to the sandy soil and traffic.

We have collected as a petition of over 100 names from our beach objecting to this development.

We have attached the notice of concern sent to the Alberta Energy Regulator.

It is assumed that the approval of this downspacing amendment would lead to an increase in oilfield activity on the sections listed. As an interested and directly affected stakeholder group we object to PRSA No. 9415 and the implied increase in oilfield activity that would result from its approval. Our objection to PRSA No. 9415 is based on the concerns noted on the notice of concern however this list is not intended to capture all the possible detrimental effects of an increase in oilfield activity in this area.

At our annual general meeting the Association members passed a motion of objection to PRSA No. 9415 because of the concerns on the attached notice of concern. This notice is

not all inclusive due to the constraints of the meeting but reflect the nature of our concerns.

We trust that you would respect our concerns over this development and support our concerns.

Regards

A handwritten signature in purple ink, appearing to read 'Mike Odynski', with a stylized, flowing script.

Mike Odynski
President, Vermilion Beach Association

Attachments:
Notice of Concern

Statement of Concern to an Energy Resource Project



Use this form to outline your concerns about applications for coal, oil sands, oil, or natural gas resource development. For further details, see *EnerFAQs Expressing Your Concerns – How to File a Statement of Concern About an Energy Resource Project*. Operational complaints about existing activities should be directed to the nearest field centre. The Alberta Energy Regulator (AER) encourages all parties to resolve disputes directly between themselves whenever possible.

Your Contact Information:	Please note that your concerns must be submitted to the company and copied to the AER.	
	Name: Vermilion Beach Association	
	Mailing address: c/o 238 Benchlands Terrace, Canmore, Alberta T1W 1G1	Phone: 403 472 0441
		E-mail: slane2009@hotmail.com
		Fax:
	State the location of the proposed project or activity in relation to you, your residence, your land, or land in which you have an interest CNRL proposed Primary Recovery Scheme Amendment No. 9415 in sections 14, 23, 26 and 35 in TWP 56 RGE 4 W4M Vermilion Beach, Laurier Lake, Alberta	
	Your land description (if known): LSD: <input type="text"/> - Sec: <input type="text"/> <input type="text"/> <input type="text"/> - Twp: <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> - R <input type="text"/> <input type="text"/> W <input type="text"/> <input type="text"/> M (i.e. SW 00-000-00W4M or 00-00-000-00W5M)	

I/We wish to notify the AER of an unresolved concern with the following party:	
Project location: LSD: <input type="text"/> - Sec: <input type="text"/> <input type="text"/> <input type="text"/> - Twp: <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> - R <input type="text"/> <input type="text"/> W <input type="text"/> <input type="text"/> M	Project description: Oil recovery
Project type: <input checked="" type="checkbox"/> Oil and gas <input type="checkbox"/> Oil sands/coal	AER application no. (if available): 9415
Company name: CNRL	
Company contact/representative (if available): Josh Driedger	
Company address (if available): Suite 2500, 855-2 Street SW, Calgary, AB, T2P 4J8	
Please outline your concerns in the following section: (attach additional sheets if the form does not expand as needed): Note: Please attach any correspondence that may support your summary of concerns (i.e., maps, etc.)	
<p>1. A summary of your concerns (how the proposed project could impact you, your organization, or your members and/or adversely affect you, your residence, or lands in which you have an interest): The Beach Association held its Annual General Meeting on July 13th 2013. A motion was approved to send an objection to this proposed development by CNRL and request it is stopped or at the very least to be restricted to further than one mile away from any shoreline of the Whitney Lakes, including Laurier Lake, Whitney Lakes, and Ross Lake.</p> <p>It is assumed that the approval of this downspacing amendment would lead to an increase in oilfield activity on the sections listed. As an interested and directly affected stakeholder group we object to PRSA No. 9415 and the implied increase in oilfield activity that would result from its approval. My objection to PRSA No. 9415 is based on the concerns I've outlined below however this list is not intended to capture all the possible detrimental effects of an increase in oilfield activity in this area. I am sure there are other issues that may result from this activity and I expect CNRL to provide the necessary expertise and due diligence as a socially and environmentally responsible operator to ensure that their own list of concerns is comprehensive and complete before operating in any part of Alberta. We understand that many of our lot owners did not receive notice of this projected development until the project was well over the deadline for affected landowners to be able to obtain further information as required. I understand that the onus and burden of proof is not on our group, the stakeholders, to ensure the list of concerns is robust and all inclusive, we can only provide concerns that seem relevant based on our group and individual experience and perspective.</p> <p>At our annual general meeting the Association members passed a motion of objection to PRSA No. 9415 because of the following concerns:</p>	

water bodies and watershed

This unique and ecologically sensitive area is home to 148 species of birds and waterfowl, deer, moose, beaver, black bear, red squirrel, flying squirrel, several species of fish, delicate wetlands and distinctive landscapes that are exclusive to this area and resulted from the glacial processes that shaped the distinctive kettle topography of both the park and surrounding area. PRSA No. 9415 affects lands and watershed in an ecosystem unlike any other in the area and as such the effects of historical offsetting activity are not analogous. This area was made into a Park to protect these very exceptional environmental circumstances and unique flora and fauna that rely on them staying protected. Using basic research materials we have come up with at least 9 "species at risk" whose habitats are coincident with the park and surrounding area, I am sure there are more; it's a park after all. The impact on these 9; the Yellow Rail, Sprague's Pipit, Short Eared Owl, Sensitive Raptor Range area for Bald Eagles, Rusty Black Bird, Piping Plover, Monarch Butterfly, Canadian Toad and Northern Leopard Frog and many others would need to be studied extensively before any activity could proceed.

2. **The scale and effect of motorized equipment** associated with oil and gas drilling, lease preparation and subsequent production and hauling of product far exceeds that of any off-road activities. Leases and access roads are stripped of top soil creating the opportunity for noxious and invasive plant species to take hold adjacent to the park as well as the destabilization of surface soil conditions leading to erosion of the sandy glacial substrate which is characteristic of the park's unique topography and glacial landform morphology. PC pumps are run on **noisy combustion engines and large scale trucking** of produced fluids and drilling rigs, service rigs and lease construction equipment cross roads that are adjacent to and provide access to as well as through the park and will bring oilfield traffic and associated noise into close contact with park wildlife and induce stress on said wild life at least equal to that of off road vehicle activity.

3. The proposed **access and hauling routes intersect the park's** public walking/cross-country ski pathway and trail network, putting oil field traffic in contact with year round outdoor enthusiasts and will increase the risk of a vehicle striking a pedestrian, skier or cyclist as they cross the TWP 562 road on the existing paths. The paths of this road and others in the area are affected by the unique glacial landforms and associated lakes, bogs and fens and as such they tend to be curvy with limited line of sight unlike the regular TWP RGE grid elsewhere in the province. Oil field hauling trucks require a significantly greater amount of time to make an emergency stop and to merge back into traffic once stopped. TWP 562 is a curvy, narrow, road with limited line of sight, soft unstable shoulders and large volumes of year round recreational traffic hauling camper trailers and boats into and out of the park as well as associated pedestrian, hiker, cyclist and skier traffic such as you would expect in a popular provincial park setting. Any increase in oilfield activity would significantly increase the risk of an accident.

4. **Unintended releases of oil and saline water happen in the oil and gas industry. An unintended release either on location or during transport would be detrimental to the watershed** around the Whitney lakes parks area. The park is characterized by glacial sediments and the surrounding lands have the same sandy substrate rather than the usual organic soil over a low permeability clay subsoil. Fluids that fall on the high permeability sand and glacial till can readily comingle with and contaminate the freshwater aquifer where they will then follow the potentiometric surface of this water table and discharge into the surface water, streams, lakes, sloughs, seasonal ponds, bogs fens, and any other riparian habitat, flowing or static, as the topography and potentiometric head dictates. A release on the pad location or transportation routes anywhere on the Whitney lakes watershed, of produced fluids including saline water, oil of any API, work over chemicals such as paraffin inhibitors etc could have significant and long lasting detrimental effects on the park and its delicate and unique ecosystem and the flora and fauna therein. The mixed boreal forest, as you would expect from a freshwater ecosystem, is extremely intolerant of high salinities, a release of produced brine water, for example, anywhere along TWP road 562 or Highway 646 where these roadways are coincident with the watershed and water bodies proper, could be catastrophic and the potential effects of such a release must be extensively studied to properly understand the associated incremental risks of additional oil activity. Where these roads are coincident with the water bodies tends to logically be where the roads are the curviest and have the shortest sight lines which increases the chances of an accident and an unintended release at these locations.

5. We believe we would be doing our **Provincial image a huge reputational disservice**, to bring hundreds of visiting park users to a pristine and ecologically distinct park that is effectively surrounded by high density oilfield development. 10 acre spacing with heated surface tank storage and trucked product is about as high density as the oil industry gets. I recognize that this is just the downspacing application but if approved, well locations will soon be picked and well licenses will be applied for. If we allow high density Oil and Gas development under and adjacent to a Provincial treasure like the Whitney Lakes Provincial Park what does that say about us and our ethics and priorities in this Province? What image are you putting in the minds of the vacationing families and other guests we welcome to this Park regarding our environmental attitudes and industrial ethics in Alberta? What does it say about a company that would propose such a development and about a Government that would endorse such development?

Alberta is already viewed internationally as a Province that does not respect the environment sufficiently in development of natural resources. This development will reinforce that perception.

Please outline the following: (attach additional sheets if the form does not expand as needed)

2. A summary of the history and/or background information that may provide insight to the AER about your concerns.

The Beaches here were purchased and invested in by lot owners due to the proximity and network of Provincial lakes and the park area. We love the natural environment and wish this preserved. We like the quiet, the beauty of the lakes, and the wildlife. This investment of our individual limited funds will be jeopardized by this development. The Annual General Meeting discussion and motion reflected this disapproval of the development.

The Parks area was established to preserve this unique environment. Development should be restricted from the parkland areas. The access roads are not developed for heavy traffic use. The roads are developed for people who are here to relax. The roads are curvy and narrow. Some areas around the lake due to the sandy soil subside easily. Truck traffic up to a quarter of a million as calculated in this development will severely impact the roads, the quiet, and the area use. WE already have trucks running off the road with dangerous materials due to the corners and nature of the roads. The area will not be sustainable for more such truck traffic.

Directional drilling now intrudes on park lands and in contravention of intended use of park areas. Energy development rules in our opinion have not been revised to deal with energy development impacts now. This is reflected in the international negative view of our development rules.

3. Identify the actions you propose the AER should take in response to your concerns.

- a. This proposed development by CNRL should be refused. OR
- b. If this is impossible then all development close to any parks network should be restricted to at least one mile from any shoreline or park line. The restriction is due to the noise, traffic, and close impact of the development on the natural preserved area. Also now oil development uses water from natural watersheds and permits directional and horizontal drilling and pipelines which even now are intruding on park lands.

In accordance with Section 49 of the *Alberta Energy Regulator Rules of Practice*, all documents filed in respect of a proceeding must be placed on the public record. However, any party may apply for confidentiality of information under Section 49. The regulator may consider a request for confidentiality on any terms it considers appropriate, subject to the *Freedom of Information and Protection of Privacy Act*. A request for confidentiality must be copied to other parties in the proceeding.

Authorization and proof of submission: I/We hereby understand that as part of regular AER business practices this statement of concern will be forwarded to the company and other interested parties and will become part of a public record.

Name(s): Mike Odynski

Date: July 22nd 2013

Title (if applicable): President

Company: Vermilion Beach Association

Signature(s):

Submissions may be sent to the AER at:

Mailing: Suite 1000, 250 – 5 Street SW, Calgary, Alberta, Canada T2P 0R4

E-mail: Oil and Gas: BOS-Admin@aer.ca Oil Sands/Coal: OSB-Admin@aer.ca Fax: 403-297-7336

(Note: The AER recommends that all e-mail attachments be in a PDF format)