

SUBMISSION OF

**JIM BAILLIE
TO**

ALBERTA ENERGY AND UTILITIES BOARD

REGARDING

**GENERAL BULLETIN GB 2003 – 16
GAS PRODUCTION IN OIL SANDS AREAS**

JUNE 26, 2003

----- Original Message -----

From: [Jim Baillie](mailto:Jim.Baillie)

To: murray.smith@gov.ab.ca

Sent: Saturday, June 21, 2003 1:49 PM

Subject: GB 2003-16

Murray Smith,

I have been waiting for the Alberta Govt. to put a strong statement out concerning the recent ruling of the AEUB. It is obvious to those of us who have some knowledge in this field, that the Board did not take into account the incredible impact it's ill-conceived statement would have on the Gas industry in Alberta, as well as how our American cousins would view this situation. Perhaps you saw Alan Greenspan's TV appearance of a few days ago and he referred to our apparent preference to Bitumen production, at the cost of Natural Gas, and how it would impact on the U.S. economy.

I trust and hope that as a Government representative you will have a more reasoned and common sense approach to this matter and, if necessary, will intercede ASAP to rectify this misdirected approach of the AEUB. And at the very least immediately release the wells that have little or no effect on the Bitumen extraction.

Thank God, here in B.C. and in the NWT there is not such a short sighted agency who will affect production - at least not that I am aware of !!

I assume that I will not have to point out to you that recovery of Bitumen in virtually all of the Gas Well areas is assured, with a minimal cost factor to-day, I personally believe any future pronouncements, of the AEUB, should first be scrutinized and approved by your department. In my opinion it is obvious that they have, at best, only limited and obsolete knowledge in these important areas.

Yours very truly,

James G. Baillie