



## WE'RE ON THE MOVE

The ERCB Calgary head office has relocated to a new downtown Calgary building, effective October 18, 2010.

The new address is:

Energy Resources Conservation Board  
Suite 1000, 250 – 5th Street SW  
Calgary, Alberta T2P 0R4  
Phone: 403-297-8311 (unchanged)  
Email: [inquiries@ercb.ca](mailto:inquiries@ercb.ca) (unchanged)

The move started on September 11 and will conclude on November 14, 2010. The head office is remaining operational during this time, and all staff telephone numbers remain the same.

Questions can be directed to the customer contact centre at 403-297-8311 or by email at [inquiries@ercb.ca](mailto:inquiries@ercb.ca). The ERCB's Information Services office is moving on Monday, November 1, while the ERCB Library will move on Monday, November 15. Both of these spaces, which are open to the public, will be located on the 10th floor in the new building.



## 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.

October 2010

## ERCB launches new document category with release of Manual 001

The release of *Manual 001: Facility and Well Site Inspections* marks the first of a new category of ERCB documents, termed "Manuals."

ERCB manuals are a consolidation of existing requirements and do not set out new or amended requirements. These manuals are primarily designed as reference documents for ERCB staff to ensure consistency in pursuing regulatory compliance.

The creation of Manual 001 and the new Manual document category reflect the ERCB's commitment to streamlining the regulatory process to support its new vision of being the best non-conventional regulator in the world by 2013. Part of the ERCB Strategic Plan to achieve this vision is to have in place a relevant and effective approach to regulating conventional energy resources and to build a leading-edge regulatory framework for unconventional resources.

The manuals will increase consistency and awareness while decreasing the number of ERCB regulatory documents, resulting in an approach to energy regulation that is more streamlined, effective, and efficient.

Manuals will be publicly available and all stakeholders are invited to use them to become familiar with ERCB expectations, activities, and processes. Manuals may contain listings of non-compliance events, regulatory references, process descriptions, forms, and procedures, as well as other items.

Manual 001 will take effect on January 1, 2011. At that time, the ERCB will rescind *Directive 063: Requirements and Procedures for Oilfield Waste Management Facilities* and *Directive 064: Requirements and Procedures for Facilities*. The interim period will allow for stakeholder education on the ERCB's new streamlined process. It is important to note that the requirements cited in Directives 063 and 064 remain in force in other ERCB regulations and directives. The rescission of these directives, upon implementation of Manual 001, will not result in the rescission of the requirements listed in them.

An extensive review of Directives 063 and 064 resulted in the creation of Manual 001, which will serve as a consistent, up-to-date, and updatable reference document for ERCB inspectors and stakeholders. Manual 001 cites existing ERCB requirements that

*(continued on page 3)*

## RECENT ERCB PUBLICATIONS

### DECISIONS

**October 12, 2010:** Decision 2010-033: Apache Canada Ltd. Applications for a Well, Pipelines, and Facility Davey Field - Applications 1648281, 6139107, 1639117

**October 01, 2010:** Decision 2010-032: Canadian Natural Resources Limited - Application for Compulsory Pooling - Ewing Lake Field - Application: 1648442

**September 28, 2010:** Decision 2010-031: Coal Valley Resources Inc. Application for Permit Amendment Yellowhead Tower Area - Application 1641153

**September 16, 2010:** Decision 2010-030: TOTAL E&P Canada Ltd. Application to Construct and Operate an Oil Sands Upgrader in Strathcona County

**August 10, 2010:** Decision 2010-029: Paramount Resources Ltd. - Application for special gas well spacing - Application no. 1644351

### BULLETINS

**October 19, 2010:** Bulletin 2010-33: Extended Interim Relief from Annual Pressure Testing Requirements for Coalbed Methane Pressure and Flow Control Wells for 2011

**September 23, 2010:** Bulletin 2010-32: Amendment to the Oil and Gas Conservation Regulations Regarding the Release of Dipmeter Surveys

**September 17, 2010:** Bulletin 2010-31: Revised Edition of Directive 068: ERCB Security Deposits

**September 15, 2010:** Bulletin 2010-30: Release of Manual 001: Facility and Well Site Inspections

**September 1, 2010:** Bulletin 2010-29: Revised Directive 019: Compliance Assurance Issued - Directive 019: Compliance Assurance-Enforcement Rescinded

**August 26, 2010:** Bulletin 2010-28: Zones Eligible for Shale Gas Fluid Codes

### DIRECTIVES

**September 17, 2010:** Directive 068: ERCB Security Deposits

**September 1, 2010:** Directive 019: Compliance Assurance

**August 26, 2010:** Directive 056: Energy Development Applications and Schedules

**August 1, 2010:** Directive 019: Compliance Assurance

## Conditions part of TOTAL upgrader approval

The ERCB last month approved an application by TOTAL E&P Canada Ltd. to construct and operate a 300,000 barrel-per-day oil sands upgrader in the Alberta Industrial Heartland area of Strathcona County.

In its 62-page decision report, the ERCB placed seven conditions on the company. Those conditions require the company to:

- achieve a sulphur recovery rate of 99.5 per cent within six months of project commencement;
- conduct a full-scale emergency response exercise prior to project start-up;

- submit a site-specific emergency response plan and assessment of all hazards for the ERCB's approval following the engineering and design phase and following the emergency response exercise;
- submit a revised noise impact assessment six months prior to the start of construction;
- update the baseline sound monitoring surveys in accordance with ERCB regulations;
- conduct a sound monitoring survey three months after project start-up to ensure compliance with ERCB noise regulations; and

- satisfy the Board by no later than October 1, 2016, that construction of the project has commenced, or the approval will expire on December 31, 2016, unless the Board stipulates a later date.

The ERCB also expects TOTAL to fulfill all 86 commitments made in the company's application and during a public hearing held in Fort Saskatchewan in early June. These relate to stakeholder engagement, public safety, operations, construction, and design.

In the decision, the ERCB makes five recommendations to government related to air quality, water quality, and human health studies.

## ERCB launches new document category with release of Manual 001 *(continued from page 1)*

inspectors regularly assess for licensee compliance and lists applicable noncompliance events and their associated risk ratings.

it lists. In the future, when regulatory changes affect facility and well site inspections, Manual 001 will be updated accordingly.

yellow, with many duplicated across compliance categories. Stakeholders are encouraged to review Manual 001 to fully educate themselves on all the changes.

### ERCB manuals will increase consistency and awareness while decreasing the number of ERCB regulatory documents

The electronic version of Manual 001 also contains hyperlinked references to the ERCB documents containing the regulatory requirements applicable to each noncompliance event

To further ensure regulatory consistency, similar noncompliant events and their associated risk ratings have been aligned. Risk rating changes cited in Manual 001 are highlighted in

Manual 001 is available on the ERCB Web site [www.ercb.ca](http://www.ercb.ca) under Industry Zone : Rules, Regulations and Requirements: Manuals. Questions regarding Manual 001 should be directed to the ERCB Field Operations Group at 780-542-5182.

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## Shell, Imperial tailings plans approved, with conditions

**F**ollowing rigorous technical reviews, the ERCB has approved, with conditions, a tailings management plans for the Imperial Kearl project and Shell Canada's Muskeg River project.

Both plans were submitted under *Directive 074: Tailings Performance Criteria and Requirements for Oil Sands Mining Schemes*. Over the life of the plan, the Kearl project will cumulatively equal or exceed Directive 074 total fines capture requirements.

In September, the ERCB approved the Kearl tailings plan with eight conditions. Imperial indicated that its plan would not be able to achieve the Directive 074 fine tailings reduction annual targets up to the first six years of production because it incorporates new technologies that require time to be implemented. In response to this delay, the ERCB directed Imperial to submit an updated plan by January 2012 that evaluates alternatives and proposes measures to further accelerate fines tailings treatment.

Imperial is also being directed to exceed the Directive 074 annual fine tailings reduction requirements for the years following 2018, such that cumulative overall fine tailings reductions equal to Directive 074 requirements are achieved by 2023. The Kearl project, slated to begin operating in 2012, involves one tailings pond, which will be decommissioned by 2038.

Meanwhile, the ERCB approved the Muskeg River tailings plan in August, attaching to it eight conditions. The Muskeg River tailings plan includes the construction of a consolidated tailings plant, which will begin operating in 2012.

Until the new tailings plan is operational, Shell will not be able to achieve the ERCB's annual fine tailings reduction requirements. From 2013 onwards, the ERCB directed Shell to exceed the Directive 074 annual fine tailings reduction requirements in order to achieve a cumulative overall fine tailings

reduction that is equal to or exceeds Directive 074 requirements by no later than year-end 2017.

The ERCB is continuing its reviews of the two remaining tailings plans, submitted by Canadian Natural Resources Limited for its Horizon project and by Shell for the Jackpine project.

Thus far, oil sands operators have committed more than \$1.5 billion in upgrades to comply with the directive.

While conducting the technical review of each tailings plan, the ERCB has worked with the operators to ensure every operator is taking all possible actions to meet the requirements of Directive 074 while considering each project's specific geological and technical requirements.

## UPCOMING PUBLIC HEARINGS

Application No.	Applicant	Hearing Purpose
1613543 1506272 1616123 1647807	Sunshine Oilsands Ltd, Paramount Energy Operating Corporation, Total E&P Canada Ltd., Athabasca Oil Sands Corp.	Written Proceeding to consider the interim shut-in of 213 gas wells around the Wabiskaw O Pool - Liege Field
Hearing Date:	Jul 15 – Dec 3	
1614134 1614144 1614145 1614198 1614210	Shell Canada Inc.	Application for multiple well, pipeline and facility licences for the Shell Waterton 68 Project (35% H <sub>2</sub> S) - Waterton Field
Hearing Date:	Oct 19 – Nov 5, Heritage Inn, 919 Waterton Avenue, Pincher Creek AB	
1651737	ProspEx Resources Ltd.	Application for an order prescribing that all zones below the base of the Cardium Formation to the Base of the Spirit River Formation within the drilling space be operated as a unit.
Hearing Date:	Nov 18 – 19	
1645059	Daylight Energy Ltd.	Application for a holding for production of oil from the Cardium formation (0% H <sub>2</sub> S) Pembina Area
Hearing Date:	Nov 29 – Dec 1, ERCB Offices, Calgary AB, Govier Hall	

## PENDING ERCB DECISIONS

Application No.	Applicant	Hearing Purpose
1612382 1618312	Taylor Processing Inc.	Applications for co-stream project including 2 HVP pipelines, 1 gas pipeline, and amendments to an existing gas processing facility (0% H <sub>2</sub> S) - Harmattan Elkton Field
1523635	Statoil Canada Ltd.	Application to expand Leismer Project and to construct and operate proposed Corner Project. SAGD Bitumen - Athabasca Oil Sands Area

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### Contact Across the Board

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Please send your comments and suggestions to <acrosstheboard@ercb.ca>

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Telephone: 403-297-8311\* (press 2)  
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E-mail: <infoservices@ercb.ca>

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

4th Floor, Twin Atria, 4999-98th Avenue  
Edmonton, Alberta T6B 2X3  
Telephone: 780-422-1927\*  
Fax: 780-422-1918  
E-mail: <AGS-Info@ercb.ca>  
Web: <www.ags.gov.ab.ca>

### ERCB Core Research Centre (CRC) cores, cuttings, and tour reports

3545 Research Way NW  
Calgary, Alberta T2L 1Y7  
Telephone: 403-297-6400  
Fax: 403-297-5982  
E-mail: <crc.servicedesk@ercb.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\*  
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\*

### Fort McMurray Office

Office: 780-743-7214\*  
24-hour emergency: 780-881-1283\*

\*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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