



**OIL AND GAS COMMISSION
ADVISORY COMMITTEE**

ANNUAL REPORT 2005-2006

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Message from the Chair

Minister Richard Neufeld
Ministry of Energy, Mines and Petroleum Resources
PO Box 9060 Stn Prov Govt
Victoria, BC V8W 9E2

Dear Minister Neufeld:

On behalf of the Advisory Committee members it gives me great pleasure to submit the Committee's Annual Report for 2005-2006 to the Ministry. Three new members came on stream and a number of new appointments will be made before November 4, 2006.

The Advisory Committee has taken strong steps to refine its role in relation to the Oil and Gas Commission, and the Committee continues to recommend improvements to internal functions and processes.

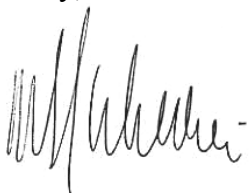
The number of Requests for Reconsideration rose sharply this year and served to identify a number of areas within oil and gas activity that require the Committee's and the Commission's attention.

We wish to thank the staff of the Oil and Gas Commission, and in particular Commissioner Curtis, and Past Commissioner Doyle, for their professionalism and assistance in providing support services for the Advisory Committee and for responding to inquiries and recommendations of the Advisory Committee in a timely manner.

We hope the attached Annual Report is useful and informative. If you have any comments or suggestions, please contact Monica Walker, Advisory Committee Secretary, at (250) 261-5748.

We look forward to continuing to serve in this important role in the years ahead.

Sincerely,



Mike Waberski, Chair

ADVISORY COMMITTEE

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Role of the Advisory Committee

Oil and Gas Commission Act:

7 (1) The minister must establish an advisory committee to

- (a) provide advice and make recommendations to the commission as to the fulfillment of the commission's purposes and its adherence to the responsibilities of the commission under section 17,
- (b) fulfill that committee's role described in section 9,
- (c) anticipate and identify environmental, economic and social issues arising out of the commission's operations,
- (d) by June 30 of each year, review the commission's operating plans and audited financial statements for the fiscal year of the commission that ended on March 31 of that year, and
- (e) assist the commission to develop short and long term operating plans.

(2) The commission may pay to an advisory committee member

- (a) an allowance for reasonable traveling and incidental expenses necessarily incurred in carrying out the responsibilities of the advisory committee, and
- (b) if the advisory committee member is not a member of the Legislative Assembly or a public servant, remuneration at rates set by the Lieutenant Governor in Council.”

9 (1) The advisory committee, on application in the prescribed manner by an interested person, may request that the commission grant an authorization, referred to in section 8 (2), in respect of any decision of the commission other than a decision for which a right of appeal is provided under section 136 of the Petroleum and Natural Gas Act, section 44 of the Waste Management Act or section 40 of the Water Act.

(2) *If the commission grants the authorization requested by the advisory committee,*

- (a) *the effect of the commission's original decision is suspended pending the outcome of the reconsideration under paragraph (b), and*
- (b) *following the consensual alternative dispute resolution process, and after taking into account the recommendations referred to in section 8 (3), if there are any, the commission must reconsider the original decision and redecide the matter in a manner the commission considers appropriate.*

(3) *The advisory committee must exercise its discretion to make a request under subsection (1) within the prescribed period after the decision that is the subject of the request.*

(4) *The commission must*

- (a) *grant or refuse the request within the prescribed period after it receives the request, and*
- (b) *redecide the matter that is the subject of the request within the prescribed period after granting the request.*

The Committee

The Advisory Committee is comprised of eight regular members and two ex-officio members. Members have been selected primarily for their personal contributions to the Committee, rather than for their ability to represent a particular constituency. Members provide the Commission with the benefit of their experience and knowledge, and are not expected to speak on behalf of a particular sector or lobby.

The Advisory Committee appointments as of November 4, 2004:

| | |
|---|----------------------------|
| Michael G. J. Waberski, (Chair) B.C.L.S. | Nov 2004 – Nov 2008 |
| Kathi Dickie, (Vice-Chair) | Nov 2002 - Nov 2006 |
| Jim Campbell | Nov 2002 - Nov 2006 |
| Michelle Gardner | Nov 2002 - Nov 2006 |
| Van Greig | Nov 2002 - Nov 2006 |
| David Pryce | Nov 2002 – Nov 2008 |
| Shirley Viens | Nov 2004 – Nov 2008 |
| Allan Blair | Nov 2004 – Nov 2008 |

Ex-officio Members:

Commissioner Ross Curtis

**Paula Barrett, Acting Executive Director, Ministry of Energy, Mines
and Petroleum Resources**

Administration of the Committee

The Chair would like to extend a special thanks to the various staff members who have worked in the capacity of the Committee's Secretary. Melanie Majer up to April, Monica Neilson and Jennie Leidl who filled in until Monica Walker came on board in July. Their hard work over the past year and dedication to the smooth administration of the Committee is appreciated.

The staff worked long hours tirelessly to ensure that material going before the Committee was complete and accurate and that all meetings proceeded flawlessly.

If you have any questions, please contact the Advisory Committee Secretary, Monica Walker.

Advisory Committee Secretary's Contact Information:

Monica Walker, Oil and Gas Commission
200, 10003 110 Avenue
Fort St. John, BC V1J 6M7

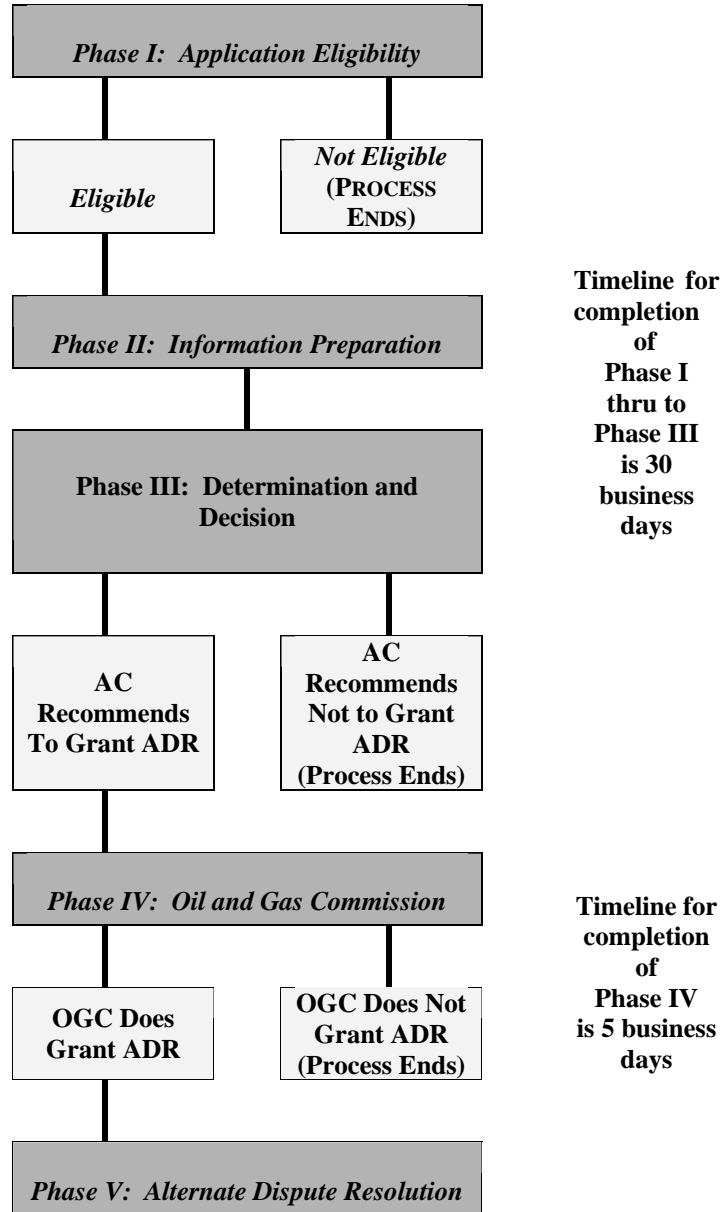
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The Request for Reconsideration Process



**OIL AND GAS
COMMISSION
ADVISORY
COMMITTEE**

Request For Reconsideration Process



Abbreviations:

- AC = Advisory Committee
- ADR = Alternate Dispute Resolution
- OGC = Oil and Gas Commission

Requests for Reconsideration in Review

The Advisory Committee reviewed 30 Requests for Reconsiderations throughout the 2005-2006 fiscal year.

All of the Requests for Reconsideration set out in the following table were brought by the West Moberly First Nation (WMFN) on substantially the same grounds which formed the basis for the Advisory Committee's denial of WMFN reconsideration requests in the decisions for FY05-09, FY05-10, FY05-11, FY05-12, FY05-13, FY05-14, FY05-15, FY05-16, FY05-17, FY05-18, FY05-19, FY06-01, FY06-02, FY06-03, FY06-04, FY06-06, FY06-07, FY06-09, FY06-10, FY06-11, FY06-12, FY06-14, FY06-15, FY06-16, FY06-17, FY06-19, FY06-21, FY06-22, FY06-24, FY06-25 and FY06-28.

For all of the reasons collectively given in those decisions relating to each of the various grounds relied on by the WMFN, the Advisory Committee declined to exercise its discretion to grant the applications.

| File No. | ADR Applicants | Original Applicant | Type of Approval | Date of Committee Decision |
|-----------------|-----------------------|---------------------------|--------------------------|-----------------------------------|
| FY06-01 | WMFN | Northpoint Energy Ltd. | pipeline | April 21, 2005 |
| FY06-02 | WMFN | Duvernay Oil Corp. | pipeline | April 21, 2005 |
| FY06-03 | WMFN | Devon Canada Corp. | well | April 27, 2005 |
| FY06-04 | WMFN | EnCana Corporation | pipeline | April 27, 2005 |
| FY06-06 | WMFN | EnCana Corporation | well | May 19, 2005 |
| FY06-07 | WMFN | EnCana Corporation | access road construction | May 31, 2005 |
| FY06-09 | WMFN | Explor Data Ltd. | geophysical program | June 21, 2005 |
| | | EnCana Corporation | wellsite | |
| FY06-10 | WMFN | EnCana Corporation | well | June 21, 2005 |
| FY06-11 | WMFN | EnCana Corporation | two wells and a pipeline | June 21, 2005 |
| FY06-12 | WMFN | EnCana Corporation | three wellsites | July 7, 2005 |
| | | Devon ARL Corp. | wellsite | |
| | | Devon Canada Corp. | pipeline | |
| FY06-14 | WMFN | Talisman Energy Inc. | pipeline | July 12, 2005 |
| | | Devon ARL Corp. | two wellsites | |
| FY06-15 | WMFN | EnCana Corporation | pipeline and wellsite | July 19, 2005 |
| FY06-16 | WMFN | EnCana Corporation | pipeline and well site | July 27, 2005 |
| FY06-17 | WMFN | EnCana Corporation | two well sites | July 20, 2005 |

| | | | | |
|---------|------|------------------------|-------------------------------|----------------|
| FY06-19 | WMFN | EnCana Corporation | two well sites and a pipeline | July 28, 2005 |
| FY06-21 | WMFN | EnCana Corporation | well site | Aug. 22, 2005 |
| FY06-22 | WMFN | EnCana Corporation | well site and pipeline | Aug. 25, 2005 |
| FY06-24 | WMFN | EnCana Corporation | high grade road and well site | Aug. 24, 2005 |
| FY06-25 | WMFN | Hudson's Hope Gas Ltd. | test hole | Sept. 21, 2005 |
| FY06-28 | WMFN | EnCana Corporation | pipeline | Dec. 28, 2005 |

FY06-05 **ADR Applicants:** Blueberry River First Nations
Original Applicant: Altia Energy Ltd.
Committee Decision: May 6, 2005

This Request for Reconsideration was brought by Blueberry River First Nations (BRFN) with respect to a pipeline approval issued to Altia Energy Ltd.

Reconsideration Grounds

BRFN alleged that the OGC failed to properly consider its Aboriginal and Treaty rights. Specifically, the BRFN alleged that the OGC: (a) failed to follow the process for resolution of concerns set out in section 2.16 of the Memorandum of Understanding (“MOU”); (b) disregarded its concerns regarding the fact that the area of the proposed project contains evidence of traditional activities and is located in a sensitive wildlife area in close proximity to a family trap line; (c) granted approval despite ongoing good faith discussions concerning completion of a cultural resource study in the vicinity; and (d) unreasonably withheld consent to an extension request contrary to s. 2.12 of the MOU.

Decision

To the extent that the BRFN’s challenge is based in part on the constitutional argument that the OGC has failed to properly consider and take into account their Aboriginal and Treaty Rights, the Advisory Committee does not have jurisdiction to decide constitutional questions of this nature.

The MOU establishes a consultation process with respect to oil and gas development on Crown Lands located in the Treaty 8 area of the northeastern part of the province. Sections 2.14 and 2.16 of the MOU provide for a process to endeavour to resolve concerns in a timely manner.

The BRFN contends that the OGC did not endeavour to resolve the First Nation’s concerns regarding sensitive sites in a timely manner or indeed at all and failed to follow the proper process for resolution of its concerns as set out in section 2.16 of the MOU.

The Advisory Committee reviewed the exchange of correspondence between the parties which confirmed that the BRFN provided detailed site-specific information in relation to seven sensitive areas in addition to broader non-site specific concerns. The OGC determined that there would be no impact in relation to six of the sensitive areas located several hundred metres away from the proposed seismic lines. The OGC imposed a condition to ensure that the one sensitive area, located in close proximity to a proposed seismic line, would not be impacted.

The Advisory Committee concluded that the OGC properly considered the site specific concerns raised by the BRFN and endeavoured to resolve those concerns as contemplated by sections 2.14 and 2.16 of the MOU. The OGC concluded that the concerns relating to six remaining sensitive sites were not warranted because of their distance from the proposed seismic lines. The Advisory Committee concluded that its

role did not extend to second-guessing the OGC's view of what constitutes an appropriate buffer zone around sensitive sites. However, the Advisory Committee recommended that the parties attempt to reach some agreement on the appropriate size of buffer zones for future applications and include buffer sizes to the terms of reference for the special sites pilot project.

The Advisory Committee also indicated that it would have been prudent for the OGC to make more of an effort to separate the process for the "cultural resource study" from the approval process for Altia's proposed geophysical project as there were clearly different expectations concerning each process. There is no indication that the OGC ever contemplated that the proposed cultural resource study would have any effect on the approval process for Altia's application. The pilot project was never intended to place existing applications for development in abeyance pending completion of the study. The Advisory Committee indicated that it is imperative that the BRFN continue to provide site specific information concerning sensitive sites to the OGC during the consultation process for development applications to ensure that those sites are adequately protected regardless of the status of the pilot project.

The Advisory Committee concluded that the OGC properly considered and responded to the site specific concerns raised by the BRFN.

The Advisory Committee also rejected the argument that the OGC unreasonably withheld its consent to a reasonable extension contrary to section 2.12 of the MOU.

The initial deadline for response was February 21, 2005. That deadline was extended to February 24, 2005. On February 27, 2005, the OGC confirmed that it would extend the deadline to March 7, 2005 to provide the BRFN with an opportunity to meet with Altia. On March 16, 2005, the BRFN requested an extension under section 2.12 of the MOU to April 11, 2005. The OGC declined the request but granted an extension to March 31, 2005. The approval was granted on April 4, 2005. The Advisory Committee concluded that the OGC did not contravene s. 2.12 of the MOU by declining the extension to April 11, 2005. In view of the considerable communications that had taken place between the parties with respect to the application, the extensions that had already been provided and the fact that BRFN had not responded with any further specific issues after identifying the seven sites, it was not unreasonable for the OGC to grant a shorter extension to the end of March.

In summary, the Advisory Committee determined that there are no grounds for granting the BRFN's reconsideration application to request the OGC to grant an ADR authorization under section 9 of the Act in relation to the approval for the geophysical project.

| | | |
|----------------|----------------------------|-------------------------------|
| FY06-08 | ADR Applicants: | Blueberry River First Nations |
| | Original Applicant: | Baytex Energy Ltd. |
| | Committee Decision: | June 8, 2005 |

This Request for Reconsideration was brought by the BRFN with respect to a Geophysical Program approval issued to Baytex Energy Ltd.

Reconsideration Grounds

The BRFN alleged that the OGC unreasonably withheld consent for an extension of time to provide a written response contrary to the MOU and approved the project despite the failure to resolve the First Nation's concerns regarding the impact of the project within its Treaty lands and traditional territory. The BRFN expressed concern regarding the evidence of traditional activities within the development area and the fact that the area contains sensitive wildlife habitat. The BRFN alleged that the timing of the project coincided with the moose calving season.

Decision

In response to the concern that the OGC had failed to grant an adequate extension, the Advisory Committee reviewed the exchange of correspondence between the parties. Baytex's geophysical application was received by the OGC on April 13, 2005 with proposed start and completion dates of April 20 and July 1, 2005. The consultation process was started on April 14, 2005 when the OGC sent the BRFN a copy of the application, the project map and the archaeological assessment information form. An exchange of written and verbal communications ensued.

The BRFN response was initially due on April 28, 2005. On April 19, 2005 the BRFN asked for a deadline extension to May 19, 2005. The OGC extended the deadline to May 2, 2005. On that date, the OGC received a written request to extend the deadline to May 27, 2005. The OGC extended the response date to May 4, 2005. On May 6, 2005 the OGC wrote to the BRFN responding to its concerns and setting a new response deadline of May 10, 2005. By letter dated May 10, 2005 the BRFN requested another deadline extension on the basis that it was necessary to allow the BRFN to meet with the company "to receive further information and discuss [its] concerns about the impact of the project on [its] traditional resources, as well as employment opportunities" for BRFN members. A letter dated May 11, 2005 was sent to the OGC from Baytex outlining discussions between the BRFN and Baytex that took place on May 5, 2005. On May 13, 2005 the OGC advised the BRFN that they had been granted a reasonable time to respond and that the application would be forwarded for a decision.

Although the OGC granted approval on May 16, 2005, it continued to communicate after this date with respect to the BRFN concerns. The Advisory Committee concluded that the OGC did not unreasonably withhold its consent to grant the further extension that the BRFN requested and that the BRFN had been given considerably more time to respond to the application than is contemplated as the usual consultation time frame under the MOU.

In response to the allegation that the OGC failed to resolve the BRFN's concerns regarding the impact of the project on its traditional territory, the Advisory Committee noted that the BRFN had asked Baytex to employ elders and monitors to help identify and properly protect heritage and sensitive sites and moose licks. Baytex agreed that two BRFN elders would review the area by ground prior to commencement of operations for this purpose. Baytex also confirmed that it would employ BRFN monitors during its operations. Other specific archaeology and mineral lick concerns noted by the BRFN were responded to in conditions 9 and 10 of the approval. To the extent that the BRFN identified specific impact concerns, the Advisory Committee was satisfied that those concerns were adequately considered and addressed.

The Advisory Committee also concluded that the BRFN's concerns regarding the moose calving season were adequately considered. It noted that the OGC's professional biologist reviewed the habitat assessment and potential wildlife impacts specifically in relation to the calving season. The OGC's biologist recommended 11 conditions designed to mitigate the impacts of the project. All of those conditions were included in the approval. The BRFN challenged the qualifications of the OGC's biologist and the environmental consultants retained by Baytex to provide the habitat assessment. The Advisory Committee concluded that it would not be appropriate to question the qualifications or expertise of either of the experts and that it was open to the BRFN to contact the experts directly to request their qualifications. The Advisory Committee determined that the BRFN's concerns regarding the impact of the project on moose calving were reasonably addressed through the approval process.

The Advisory Committee also rejected the argument that the OGC erred in withholding approval pending resolution of the discussions between the BRFN and Baytex. The file materials indicated that the BRFN and Baytex were continuing to engage in discussions aimed at resolving BRFN concerns at the time the approval was granted. While the Advisory Committee acknowledged that, given a little more time, the parties could have resolved all outstanding issues by themselves prior to approval being granted, this was not a basis for requesting the OGC to engage in ADR. Indeed, the Advisory Committee observed that such a recommendation would seem to be misplaced in light of the subsequent agreement reached

between the BRFN and Baytex on May 30, 2005 that BRFN elders/monitors would pre-scout the area for purposes of making an assessment of the presence of, and potential impact on, moose calving in the area. Assuming that conditions were acceptable, the remainder of the project could move forward to completion.

For all of these reasons, the Advisory Committee decided not to grant the BRFN's reconsideration application to request the OGC to grant an ADR authorization under section 9 of the Act.

FY06-13 **ADR Applicants:** Richard Koechl and Linda Haugen
 Original Applicants: Terra Energy Corp.
 Committee Decision: July 14, 2005

This Request for Reconsideration was brought by Old Hope Road residents Richard Koechl and Linda Haugen (the applicants) on their own behalf and on behalf of other Old Hope Road residents in relation to an approval to re-enter a sour gas well. The original sour gas well, which was drilled and abandoned in 1966, is located on private property.

Reconsideration Grounds

The applicants submitted that the application should be deferred pending completion of the OGRII review. The applicants alleged that: (a) they were not given due process regarding placement of the well site before the Mediation and Arbitration Board which granted a right of entry; (b) their request for deferral was supported by the Peace River Regional District but that the OGC and Ministry of Energy, Mines and Petroleum Resources (MEMPR) had not responded; (c) other tenures in the area and tenures within the Peace Moberly Tract have deferred disposition status; (d) certain conditions in the approval should be amended; and (e) the precautionary principle should be applied to establish proper boundaries for well sites in proximity to family homes.

Decision

The Advisory Committee recognized that the applicants were upset that they were excluded as participants from the proceedings between the landowner and Terra before the Mediation and Arbitration Board; however, the Committee indicated that it did not have any oversight authority over that Board. Similarly, the Committee concluded it could not address the applicants' request for deferral of the approval pending completion of the OGRII process. The Advisory Committee's remedial jurisdiction is limited to that of requesting the OGC to engage in ADR. It cannot suspend or defer an approval that has been granted.

The Advisory Committee indicated that the forum for voicing key concerns about the placement of the well is through the OGC approval process. As is evidenced from the number of Notices of Unresolved Concerns that were filed with the OGC, the applicants and others had clearly voiced those concerns. Where there is an existing and valid tenure held by a company, and the company has complied with all required process, it is the responsibility of the OGC to consider whether it is acceptable for the company to re-enter the well. The mechanism for managing legitimate safety, noise and other property impingement concerns is through the imposition of suitable and fair approval conditions. The Advisory Committee was satisfied that the additional conditions imposed on the approval indicated that the residents' concerns were fully taken into account and, where possible, addressed.

The Advisory Committee concluded that there appeared to be a lack of clarity concerning the MEMPR deferred disposition process and that the MEMPR had not directly responded to the applicants' request for clarifying information. The Advisory Committee indicated that, as a policy matter, it is important for the MEMPR to provide local residents with clear information about its deferral decision process. It recommended that the OGC encourage the MEMPR to provide the applicants with a full explanation. Also, given the very strong resistance of the residents and the equally strong support they have received

from their local government, the MEMPR should be made aware that any future possible tenure sales in the Charlie Lake area are likely to be highly contentious.

The applicants also sought an amendment to a specific condition on the permit that would prevent Terra from seeking permission in the future to install a gas compressor.

The Advisory Committee was satisfied from the wording of the condition that the operator would have to make a very strong case that: (i) such a compressor is technically required; (ii) it can technically solve the noise concerns; and (iii) the compressor will be acceptable to the public. The Committee concluded that this condition was sufficient to safeguard the interests of the applicants.

The applicants also contended that the 500 metre radius was too close for Terra's operation having regard to the sour gas content and associated risks. The Advisory Committee was satisfied that the additional conditions were sufficient to provide reasonable protections to address the applicants' concerns.

Although the Advisory Committee considered the well re-entry to be fairly low-risk, it recommended that the OGC actively monitor Terra's activities on a daily basis through to completion of the work to ensure that all of the approval conditions are met or exceeded, including the requirement to notify residents (which the Committee presumes to mean all residents in the area) when operations are going to be carried out.

For all of the reasons given, the Advisory Committee declined the applicants' reconsideration application to request the OGC to grant an ADR authorization under section 9 of the Act.

| | | |
|----------------|-----------------------------|---------------------------|
| FY06-18 | ADR Applicants: | Fort Nelson First Nations |
| | Original Applicants: | EnCana Corporation |
| | Committee Decision: | July 28, 2005 |

This Request for Reconsideration was brought by Vera Nicholson on behalf of the Fort Nelson First Nation (FNFN) with respect to the approval for a well site, access road field change and site alteration issued to EnCana Corporation (EnCana).

Reconsideration Grounds

The FNFN alleged that the OGC breached its fiduciary obligation to consult with respect to the approval for the well site and access road field change because: (a) the field change was not issued to address environmental or safety concerns but was required because of lack of proper planning; (b) the OGC failed to follow its guidelines for the approval of field changes; and (c) no borrow pit was proposed in the original referral.

Decision

EnCana did not make any reference to the need for a borrow pit in its original application for a well authorization. Prior to approval of the application, EnCana submitted a request for a wellsite and access road field change to add a borrow pit.

The OGC approved the field change with the condition that the borrow pit excavation must be set back 15 m from the road right of way for potential pipeline placement and safety purposes and then issued the well authorization.

EnCana subsequently submitted a second request for a wellsite and access road field change to add an additional borrow pit.

The OGC approved the second field change again with the condition that the borrow pit excavation must be set back 15 m from the road right of way for potential pipeline placement and safety purposes. The Advisory Committee noted that an Archaeological Impact Assessment interim report indicated that no archaeological sites were identified within the proposed development area. Archaeological Assessment Information forms (AAIF) indicated that no field work would be required in relation to either borrow pit.

The initial application for the wellsite was delivered to FNFN on April 29, 2005 with an expected response date of May 13, 2005. The OGC issued a reminder notice on May 16, 2005 requesting comments within the next two days. On May 17, 2005, the FNFN provided some comments and requested an extension to May 31, 2005. The FNFN indicated, amongst other things, that it had not yet received an archaeological impact assessment for the proposed development. The OGC extended the response date to May 20, 2005. As no further response was forthcoming, the OGC went “notes to file” and proceeded to issue the approval for the well authorization. The OGC imposed a condition on the approval that an archaeological impact assessment would be required for the proposed development area prior to any development activities.

When the FNFN received the initial application for the well authorization on April 29, 2005, there was no indication in that application that the proposed development would require any borrow pits. Although the first request for a field change was approved shortly thereafter on May 6, 2005¹, there is no indication in the file material that this request and the accompanying AAIF were forwarded to the FNFN prior to approval. There was also no indication that the second request for a field change and accompanying AAIF were forwarded to the FNFN. In short, the Advisory Committee concluded that the FNFN did not receive any information relating to the field change applications for the borrow pits. There was no evidence that EnCana took any steps to provide information concerning the proposed changes to the FNFN or to discuss any concerns that it might have in relation to those changes.

The Advisory Committee concluded that the information concerning the requests for field changes should have been forwarded as soon as possible to the FNFN particularly as there was no reference to the requirement for a borrow pit in the original application. Where the OGC authorizes a field change of this nature (i.e. significant addition), it should ensure that the proponent has taken steps to provide all relevant information to the First Nations and to communicate and preferably meet with the First Nations in an attempt to address any of their concerns.

The Advisory Committee concluded that there was a breakdown in communication in this case. EnCana did not take all of the steps that should have been taken to deal with the proposed field changes. While the Advisory Committee accepted that there was basic compliance with the approval process, it stressed that the proponent should have been more proactive in terms of forwarding information to the FNFN and facilitating discussions to address any concerns that the First Nation had with the proposed field changes.

The Advisory Committee indicated that this was a difficult case but concluded on balance that there were not sufficient grounds to support a reconsideration request because there was compliance, albeit of a minimal nature, with the approval process. The Committee urged the proponent and the OGC to ensure more open and timely communication with First Nations in respect of future applications for field changes, particularly where such changes are substantial in nature.

The FNFN also challenged the site alteration permit. The OGC issued a gravel pit permit to EnCana on April 22, 2005 which included a requirement for an Archaeological Impact Assessment (AIA) prior to any development activities and a requirement that the proponent notify the FNFN prior to commencement of any development work. EnCana retained a consultant to prepare an AIA. The first draft of the interim AIA report recommended that the proposed gravel pit be redesigned to avoid a specific site or, alternatively, that construction and related activities be allowed within that site boundary under the terms of a site alteration permit.

¹ Presumably subject to approval of the initial application.

On May 19, 2005, EnCana submitted an application for a site alteration permit. The application package was forwarded to the FNFN on May 24, 2005. It is not clear from the file information whether the application package included the first draft of the AIA report. On June 3, 2005, the FNFN advised the OGC that the review period was not adequate to assess the application.

On June 10, 2005, the consultant prepared a revised AIA interim report². The revised AIA report indicated that artifacts were identified at one of the sites and went on to state:

This site is automatically protected under the *Heritage Conservation Act*. The artifacts identified at site IgRk-005 were collected under the authorization of HCA Permit 2004-031. Additional cultural materials may be present within the site area below the ground surface. Therefore it is recommended that:

- 1) The proposed Gravel Pit be redesigned to avoid the site. It is recommended that a buffer zone be established around the site. This buffer zone must be established by a qualified archaeologist.

If avoidance through project re-design is not feasible, then it is recommended that:

- 2) Construction and related activities be allowed within the site IgRk-005 boundary under the terms of a Site Alteration Permit (Section 12). As a special condition, this Permit may stipulate monitoring of excavations within the site boundary to address unanticipated, significant archaeological discoveries.

EnCana has agreed to revise the boundaries of the development to include a Reserve Zone to avoid archaeological site IgRk-0055 (Figure 3).

However, EnCana has also applied for a Section 12 SAP. Following issuance of the SAP, EnCana may choose to pursue construction activities within the site boundary under the terms and conditions of this permit.

If the above recommendations are implemented, it is recommended that no further archaeological work be required for proposed Gravel Pits within 75 and 76-G/94-P-4.

...

The OGC re-sent the application package together with the original AIA interim report to the FNFN on June 6, 2005 and extended the review period to June 8, 2005.

On June 10, 2005, the OGC discovered that EnCana had not submitted a copy of the original AIA interim report to the FNFN in a timely way and extended the review period to June 24, 2005 to ensure that the First Nation would have a full 30 days to review the application. On June 13, 2005, EnCana advised the OGC that it had redesigned the project to avoid the “high archaeological risk area containing archaeological site IgRk-005” identified in the AIA interim report. The OGC subsequently issued the site alteration permit.

The Advisory Committee observed that EnCana had failed to disclose the archaeological assessment information to the FNFN in a timely manner and failed to communicate with the FNFN with respect to that information. The Committee noted that it was the proponent’s responsibility to provide the AIA reports to the FNFN as soon as they were available and it could not offload that responsibility onto its consultant.

² The report is dated June 10, 2005. The file material indicates that it was submitted to the OGC on June 20, 2005.

The Advisory Committee did, however, express concern that its earlier recommendations in Request for Reconsideration Decision 05-09 had not appeared to result in any change in practice with respect to timely disclosure and communication of information with respect to site alteration permits to First Nations.

Despite its earlier recommendations, the Advisory Committee noted that the archaeological assessment information was not delivered to the FNFN in a timely manner relating to this section 12 application. The Committee stressed that the failure to provide timely information and to communicate openly with the First Nations only serves to undermine their confidence in the approval process. Proponents must be more proactive in terms of providing information and meeting with First Nations to discuss their concerns. As relatively few site alteration permits are issued each year, the Committee indicated that it would not be unduly onerous for the OGC to ensure that the proponent has disclosed information in a timely manner and actively sought the First Nations' involvement in the management plan.

The Advisory Committee determined that it would not exercise its discretion to request the OGC to grant an alternative dispute resolution authorization under section 9 of the Act in relation to the application for the well site and access road field change or the site alteration permit for the gravel pit but strongly recommended that the proponent take more care in future applications to ensure that complete information is forwarded to First Nations in a timely manner.

FY06-20 **ADR Applicants:** West Moberly First Nations
 Original Applicants: Devon ARL Corporation
 Committee Decision: not applicable

As the file was not finalized by the OGC when the Request for Reconsideration was first submitted, the WMFN was requested to resubmit its application; however, a further Request for Reconsideration was not received.

FY06-23 **ADR Applicants:** Fort Nelson First Nations
 Original Applicants: EnCana Corporation
 Committee Decision: September 29, 2005

This Request for Reconsideration was brought by the FNFN with respect to two well site approvals issued to EnCana.

Reconsideration Grounds

The FNFN alleged that the OGC knowingly issued permits during a period when the Fort Nelson First Nation Lands Department gave notice that the office was closed and that information requested in the letter dated July 12, 2005 had not been received as of the date of the reconsideration request.

Decision

Encana made its applications for well authorizations and permission to construct well sites and access on July 7, 2005. The OGC delivered its First Nations Consultation Package to the FNFN in respect of one file on July 11, 2005 and in respect of the other file on July 13, 2005. In respect of the former, the FNFN faxed a letter to the OGC on July 12, 2005 asking for an extension of time to August 15 to respond to the consultation materials. The FNFN requested an extension on the second file as well. The FNFN pointed out that it had not received an archaeological impact assessment and that it would not review the applications until such time as all applicable reports had been received.

The FNFN also requested, amongst other things, that certain caveats be placed on any approvals including:

- Confirmation by Encana of consultation with registered trappers
- Use of existing seismic-lines, cut-lines, and other rights-of-way (ROW) for access whenever possible
- Minimal disturbance of all streams at all crossings using culverts and or clear span bridges for access
- No use of water from beaver ponds and no destruction of beaver dams
- FNFN to have discretion to request a land and water inspection of project at company's expense
- Use of drainage and erosion controls
- Notice to FNFN of construction in advance of project start
- Confirmation of the hire of FNFN Band/Band Member owned companies for contracts and employment occurring in Treaty 8 lands
- Commitment to review and make commits to Treaty Eight Chiefs' Declaration of September 13, 2004 in particular to clauses number 2 and 3
- Commitment to consult with FNFN before disposing of any merchantable timber.

The OGC granted an extension with respect to both applications until August 3, 2005. The OGC indicated that no archaeological reports had been put forward because the pipeline is flat and featureless. The OGC also confirmed that the requested caveats would be included as conditions of approval in respect of both applications.

When the OGC had still not received any response from the FNFN in respect of either application on August 5th, it proceeded to approve the applications.

The Advisory Committee observed that there was no reference in the OGC file to any communication indicating that the FNFN offices would be closed from July 28 to August 8, 2005; nor was there any request for a further extension beyond the August 3, 2005 deadline on file. The FNFN indicated that an email was sent on July 20, 2005 indicating the offices would be closed for that period.

The Advisory Committee concluded that there was nothing in the OGC files for these approvals to indicate that the FNFN provided notice to the OGC that its offices would be closed during the period of July 28 to August 8, 2005. As the email provided by the FNFN was not specific to the permits in question or to any permit, it is not surprising a copy of it was not placed in the OGC permit files. The email did not request that any applications pending before the OGC be held in abeyance until after August 8, 2005. Nor did the email ask that, as a result of the closure, deadline extensions on such applications be granted until after August 8, 2005. In relation to the specific permits in question, there was no further written request by the FNFN for an extension of time to respond to the consultation materials beyond the extended date of August 3, 2005.

The Advisory Committee concluded that the notice provided by the FNFN, without more, would not provide a basis for granting reconsideration. The Committee concluded that where the First Nation seeks an extension for reasons such as scheduled office closures, it bears the onus to make an application for an extension in relation to a specific permit application.

The Advisory Committee also rejected the argument that reconsideration should be granted because the FNFN had not received information requested in its letters of July 12th and 14th. The OGC made it clear that an archaeological impact assessment would not be forthcoming because the pipeline was flat and featureless. It was not reasonable for the FNFN to expect to receive a report given this response. To the extent that the FNFN requested information relating to its constitutional and Treaty rights, the Advisory Committee has no jurisdiction to consider such issues.

For all of the reasons given, the Advisory Committee declined to grant the reconsideration application to request the OGC to grant an ADR authorization under the Act.

FY06-26 **ADR Applicants:** Fort Nelson First Nations
 Original Applicants: EnCana Corporation
 Committee Decision: November 3, 2005

This Request for Reconsideration was brought by the FNFN with respect to three well site approvals issued to EnCana.

Reconsideration Grounds

The FNFN seek reconsideration on the grounds that: (a) information which it requested in letters dated August 17 and August 23, 2005 has not been received; (b) it was advised by the OGC that no programs would be approved until archaeological impact assessments were submitted.

Decision

There are some variations in the dates of the communications between the FNFN and the OGC, the extension requests and the extensions in respect of each approval, but the content of each of the letters is substantially the same. For example, the only August 23rd letter from the FNFN relates to the approval decision on OGC File No. 9620790. The content of that letter is identical to the FNFN's letters of August 30, 2005 in respect of OGC File Nos. 9620789 and 9620790. Rather than repeat the chronology of events leading up to each approval decision, the Advisory Committee only referred for illustrative purposes to the chronology culminating in the approval decision with respect to OGC File No. 9620789.

On August 9, 2005 EnCana Corporation applied for a well authorization and permission to construct a well site and access. An information package with respect to this application was delivered to the FNFN on August 15, 2005. On August 17, the FNFN requested an extension until September 17, 2005 as it had not received an archaeological impact assessment for this program. It indicated that it would not review the application until the report was received.

The FNFN also requested the Commission to provide details on how it had given due consideration to section 2.13 of the MOU and confirmation from the company concerning various matters.

On August 31, 2005, the OGC Commissioner met with the FNFN to discuss a number of outstanding issues. That afternoon, Ms. Nicholson emailed the OGC, saying "Please be aware that the Commissioner made a commitment today to the FNFN in that OGC will not issue a permit until the [archaeological impact assessment] report is in place and received". The OGC sent a letter to the FNFN granting an extension to September 7, 2005. In that letter, the OGC also advised in part as follows:

In response to Fort Nelson First Nation having not received the Archaeological Impact Assessment (AIA), the Commission has put forth that an AIA is required for the proposed development area prior to any development activities taking place.

The Oil and Gas Commission has moved towards a performance-based approach to archaeological assessments. Therefore, the Commission now focuses on auditing and advising and no longer scrutinizes archaeological information at the application stage, except on an audit basis. An Archaeological Assessment Information Form is included in each referral package. This form outlines the work completed for each application, usually involving the review of an Archaeological Overview Assessment or an Archaeological Potential Map. If the proposed project intersects with an area of "high archaeological potential" an investigation permit, applied for under Section 14 of the *Heritage Conservation Act*, will be required for fieldwork to be completed. Your First

Nation will be notified of the permit application and will have an opportunity for consultation at that time.

...

In regard to points 1 to 3:

The Commission recognizes and addresses Treaty 8 rights through the consultation processes set out in our agreed upon Agreement on consultation. Each project application is assessed for consistency with LRMP direction and projects are reviewed to coordinate access and to minimize and manage any potential impact. First Nations communities are encouraged to participate in the Ministry of Agriculture and Lands planning process.

Caveats numbered 1 – 3 and 6 are covered under existing OGC guidelines, codes, legislation and regulations. In response to Caveat No. 9, we have requested that the Company respond directly to the Fort Nelson First Nation.

In regards to caveats 5, 8 and 10, the Oil and Gas Commission cannot include these conditions in the permit; however, the Commission encourages industry to discuss economic opportunities with the Fort Nelson First Nation.

In regards to caveats 4 and 7, we will recommend these conditions be added to the permit:

Fort Nelson First Nation request the following:

- a. The Operator must not use water from beaver ponds or destroy beaver dams;
- b. The Operator must notify the Fort Nelson First Nation prior to commencement of project construction;
- c. The Operator must forward a copy of the completed archaeological report(s) to the Fort Nelson First Nation Office.

In the event we do not receive a response from Fort Nelson First Nation, we will be proceeding to decision on this file based on available information. We will include the caveats provided in your response letter as prepared in previous applications.

The same day, the FNFN advised the OGC by email that the performance based approach to archaeological assessments was never presented to the First Nations communities for consultation prior to implementation. The FNFN indicated that it never agreed to this process as had been outlined in an open letter to Minister Richard Neufeld on November 16, 2004.

The letter to Minister Neufeld is critical of what the “unilateral imposition” of the OGC’s “results-based” archaeology decision-making model. It also expresses concern that this model would result in “the wholesale destruction of First Nations cultural heritage sites in Treaty 8”. The Tribunal Association also informed the Minister that it would not be reviewing applications or referrals until the appropriate archaeological reports are attached and the OGC has responded to any related questions or information requests.

In a letter dated September 12, 2005, the Commissioner responded to the concerns by pointing out that the OGC requires the Archaeological Assessment Information Form (AAIF) with every application. If the AAIF shows that archaeological field work is required, then that work must be completed prior to the

company proceeding with any development. If an archaeological site is found during that field work, the company must immediately submit a report to the OGC to discuss management and protection strategies for the site. Where no archaeological sites are found during the field work, the report is not urgent and can be scheduled for later delivery. The Commissioner expressed the view that this approach ensures the protection of sites and allows work to proceed where no sites are found. The Commissioner also indicated that he had agreed that they could review these procedures as part of the GDP pilot process.

On September 29, 2005, the OGC approved all three applications with a condition that if any archaeological artifacts or features were noted during any phase of ground-disturbing activities, all work in the vicinity must cease and the Commission must be contacted. The approvals also required the operator to forward copies of the completed archaeological report(s) to the Fort Nelson First Nation office.

The Advisory Committee concluded that it was not the Commissioner's intention to commit from refraining from approving EnCana's applications pending the FNFN's receipt of AIAs. Where as in the present case the mandatory AAIFs submitted by the applicant reveal that some areas under application would have additional field work undertaken prior to construction, with the AIA report to follow confirming no archaeological impact, the AIA report is not considered urgent and can be scheduled for later delivery. Here, the additional conditions were designed to ensure such delivery of archaeological reports to the FNFN. In view of these circumstances, the Advisory Committee was not prepared to recommend ADR.

The Advisory Committee noted that it was one year ago that the Treaty 8 Tribunal Council first voiced its strong objections to the OGC's new archaeological impact process. While there have been a number of reconsideration applications where dissatisfaction was expressed about this process, the Advisory Committee's review of the OGC files in each of those applications has not revealed either any breach of the *Heritage Conservation Act* or proponent non-compliance with that process. The Committee expressed the view that the process is functioning well to protect heritage sites. In view of the FNFN's lack of trust and confidence in the OGC's archaeological impact process, the Committee recommended that the OGC follow up to ensure that the additional condition for delivery of the archaeological report is complied with by EnCana in respect of each of the three approval decisions.

For all of the reasons given, the Advisory Committee declined to grant the applicant FNFN's reconsideration application to request the OGC to grant an ADR authorization under the Act.

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|----------------|-----------------------------|------------------------------|
| FY06-27 | ADR Applicants: | Patrick and Christine Harris |
| | Original Applicants: | ARC Petroleum Inc. |
| | Committee Decision: | November 3, 2005 |

This Request for Reconsideration was brought by Patrick and Christine Harris with respect to a sour gas well site application approved issued to ARC Petroleum Inc. (ARC).

Reconsideration Grounds

The applicants opposed the approval of the well less than one kilometre from their home. They alleged that they were never contacted or given notification of the well. The applicants indicated that they had unanswered questions about the well and its consequent effects on their health and water supply.

Decision

In the spring of 2005, the applicants spoke to ARC's land agent who indicated that ARC was considering applying for a well-authorization on adjacent property owned by the applicant's neighbours (the landowners). The applicants understood that, if an application was pursued, that they would be contacted again by the company. On September 1, 2005, ARC entered into a lease with the landowners under

which ARC could enter on and use the land for purposes of drilling and operating a sour gas well. There were a number of additional terms and conditions set out in the lease, including a requirement that water quality in the adjacent spring would be tested before and after drilling takes place. The Company was required to ensure that the water quality would remain the same during the drilling of the well. The adjacent spring is on the applicants' property, which they use as a source of water.

On September 10, 2005, ARC applied to the OGC for a well authorization and permission to construct a well site and access on the applicant's neighbour's property. That application indicated that sour zones were expected, the Emergency Planning Zone (EPZ) radius was 0.285 and that there were no occupied dwellings inside the calculated EPZ. The Emergency Awareness Zone (EAZ) surrounding the EPZ had a radius of 0.570 km and a small corner of the applicant's property intersected with the outer area of the EAZ. Accordingly, most of the applicants' property, including their home, lied outside the EAZ and all of it was well outside the EPZ. OGC Public Involvement Guidelines do not require public consultation with persons outside of the EPZ.

On October 7, 2005 the OGC approved ARC's application. At this stage, ARC had not spoken to the applicants about the application and the applicants were not aware of the OGC's decision. Approximately one week later, the applicants filed a Notice of Unresolved Concern with the OGC. As the approval had already been granted, the applicants sought reconsideration before the Advisory Committee.

ARC confirmed that their land agent met with the applicants on April 7, 2005 and that only two concerns were expressed. The first related to the spring on their land and their wish to have it tested. ARC says that it committed to and has since had the spring tested (apparently without the applicants' knowledge or consent). The second concern was that their property might become contaminated by the well and there were some discussions about this. After ARC signed the lease with the landowner and calculated the EPZ, it sent an e-mail to the applicants advising that their property was well outside the EPZ radius. The Advisory Committee noted that it was not provided with a copy of the e-mail and observed that the applicants' actions were not consistent with having received such notification.

On October 15, 2005 ARC's land agent met with the applicants, who were allegedly confrontational. The land agent offered to have a construction foreman meet with them about the construction of the well but they declined. The Advisory Committee was also told that an ARC representative contacted Ms. Harris on October 20 to discuss her concerns. An offer was made to attend a drilling rig and well site to help in the learning process, but this offer was declined. The representative said she would answer any questions Ms. Harris had, but was told she had "way too many". ARC's operating engineer contacted Ms. Harris on October 21st but was "confronted with accusations and threats of media". He offered to fly up to meet with her, but she declined this offer. As verbal communications had proven fruitless, ARC's representative contacted Ms. Harris again on October 24th and asked her to provide a written list of her concerns so that ARC could respond to them. In their written submissions, ARC advised that they asked Ms. Harris to fax this list to them, but as of October 26th nothing had been sent. ARC alleged that the applicants were engaging in stall tactics rather than trying to have their questions answered.

On November 1, 2005, the Advisory Committee received a copy of a list of questions and concerns prepared by the applicants and addressed to ARC. On November 2, 2005, the Advisory Committee received an email from ARC advising that it was "endeavouring to get the answers for the Harris'" having already had discussions with them regarding a meeting early the following week.

The Advisory Committee concluded that there was nothing in the information to suggest that the OGC's process was not complied with (by either the OGC or ARC). The Committee concluded that the OGC requirements were met and exceeded by ARC. The Advisory Committee agreed that ARC was not obliged under the OGC's public consultation guidelines to consult with the applicants since their property lies outside the EPZ. However, the Advisory Committee expressed the view that it was good business practice to engage in prior and meaningful consultation (preferably in person) in circumstances like these where the proponent is aware that there are neighbouring landowners and aware that they have concerns.

The Advisory Committee recommended that the OGC monitor compliance with the current and post construction related conditions of its approval decision (particularly water quality testing and water flow of the applicants' spring) and that it follow-up to ensure that the applicants' questions in their November 1, 2005 letter are addressed.

For all of these reasons, the Advisory Committee declined to grant the applicants reconsideration application to grant ADR under section 9 of the Act.

FY06-29 **ADR Applicants:** Rhonda Born and Kim Phillips
 Original Applicants: Titan Exploration Ltd.
 Committee Decision: March 6, 2006

This Request for Reconsideration was brought by Rhonda Born and Kim Phillips on their behalf and on behalf of concerned residents from the Wolsey and Welch subdivisions with respect to a well authorization issued to Titan Exploration Ltd. (Titan).

Reconsideration Grounds

The applicants sought reconsideration on the grounds that: (a) the approval process should be suspended pending a response from the Ministry of Energy, Mines and Petroleum Resources to a request from the Peace River Regional District (PRRD) to have the area in question excluded from development because of the community plan; (b) the public consultation and approval process was flawed; (c) conditions agreed to by the operator were not incorporated into the approval; and (d) additional conditions were required

Decision

Titan initially commenced consultation to drill and complete the sour gas well in or around June 2005. The time lines for the initial consultation were extremely short as Titan wished to commence drilling by July 10, 2005. The company mailed out a project notification to residents inside and some residents outside the emergency planning zone ("EPZ") on June 16, 2005. The company completed its emergency response plan (ERP) consultation between June 17 and June 28, 2005 and delivered objection response letters to residents within the EPZ on June 30, 2005.

Titan's timeline for the initial application proved to be unrealistic as the proposed project elicited strong opposition from the community. In July 2005, Titan revised the proposed project to avoid drilling to the Artex zone and delivered a revised project letter to all of the residents who had been previously consulted in spite of a revised smaller EPZ. On July 28, 2005, Ms. Born expressed concerns regarding flaring/incineration, wind direction in the winter and the possibility that Titan would pursue the deeper zone once it started drilling. Ms. Born indicated that a community meeting was to be held on August 2, 2005; however, Titan representatives were unable to attend the meeting on that date.

Following the community meeting, Ms. Born advised the OGC that the residents felt that Titan should meet with the community in early September, 2005. The OGC advised Ms. Born that Titan was not prepared to wait until September to proceed with its application. On August 8, 2005, Ms. Phillips contacted the OGC to express concerns regarding the proposed project. On August 9, 2005, Ms. Born filed a Notice of Unresolved Concern regarding the proposed well application. On August 15, 2005, Ms. Phillips sent a letter to Titan expressing opposition to the project and enclosed a petition signed by 25 community members. An exchange of correspondence and notices ensued from mid-August until the date of the approval. On September 23, 2005, an OGC employee indicated that the Commission Corey Jonsson sent an e-mail to the Executive Director of Project Assessment Branch indicating that the OGC may need to become involved in this application but she was not sure if "formal ADR is the route". She also indicated this may be a good opportunity for preliminary appropriate dispute resolution; however, it appears that neither route was ever followed up.

In response to the objections in relation to the initial proposal, the Advisory Committee noted that Titan took the time to attempt to resolve the concerns raised by the area residents before submitting its application for the well authorization. **The Committee noted that there was extensive communication between the applicants and the OGC throughout this period.**

On November 30, 2005, Ms. Phillips sent an e-mail to the OGC expressing concern that there was nothing in writing from Titan to protect the residents in relation to damage to water wells. The OGC responded that Titan had made a commitment in his e-mail to do whatever is required to supply water to the residents while the well is being repaired or replaced. The OGC indicated that "(e)mails are considered to be a legal form of documentation".

On December 19, 2005, an OGC employee read the proposed conditions for the well authorization to Ms. Born over the telephone. Ms. Born again raised concerns regarding the impact of the proposed project on Charlie Lake and the proliferation of wells in the area.

On January 24, 2006, the OGC issued the approval of the application for the well authorization and permission to construct a wellsite. The well authorization contained a number of additional conditions which addressed, at least in part, the concerns raised during the public consultation process.

The first ground advanced in support of the application for reconsideration related to the PRRD's request to the Ministry to exclude the area from development. In 2005, the PRRD passed a resolution requesting that development of certain areas of land be deferred pending legislative amendments to the setback regulations. The request stemmed from a concern that development would be taking place in close proximity to certain residential areas. The PRRD indicated that any oil and gas activity should await changes to the sour gas well setback regulations. The applicants submitted that the approval process should be suspended pending a response from the Ministry.

The issue of setbacks was raised on several occasions with the Ministry and the OGC. On August 7, 2005, Marcel and Kim Phillips wrote to the Honourable Richard Neufeld, Minister of Energy, Mines and Petroleum Resources, to request legislation prohibiting any seismic activity or well site drilling within a 10 to 25 km radius of Charlie Lake, any residential dwellings and farmland. On October 11, 2005, the Honourable Minister responded that the Ministry was currently engaged in renewing and improving the regulatory framework for oil and gas development including setback distances for sour gas wells.

On October 11, 2005, Ms. Born asked whether the OGC had seen the resolution passed by the PRRD concerning the request for exclusion of land from development. On October 25, 2005, the Executive Director of the Project Assessment Branch advised Ms. Born that the OGC had considered the resolution but that the proposed project did not fall within the R-4 and R-5 designated residential zone areas of the Wolsey subdivision, or the R-3 designated residential zoned Welch and Blackall subdivisions. On November 28, 2005, Mr. and Mrs. Born sent an e-mail to the OGC requesting that the decision on the well application be "withheld" pending resolution of the PRRD's request. On November 30, 2005, the OGC responded that it did not have authority to defer a decision absent policy direction from the government.

The Advisory Committee concluded that the outstanding request from the PRRD did not constitute a proper ground for requesting reconsideration under section 9(1) of the Act because: (a) the wellsite does not fall within any of the areas covered by the PRRD's request; and (b) the OGC did not have authority to withhold a decision with respect to an application for a well authorization pending the Ministry's response to that request. The Advisory Committee agreed that the decision to exclude land from development is a policy one that must be made by the provincial government. In the absence of such a decision, the OGC could not simply defer or withhold approval of the proponent's application. The Advisory Committee indicated that it would not be an appropriate exercise of discretionary authority under section 9(1) of the Act to request the OGC to grant an authorization for alternative dispute resolution on the basis of the PRRD's request. The role of the Advisory Committee is to review the

exercise of regulatory authority by the OGC – not policy decisions made by the provincial government in relation to setback requirements or other land use decisions.

The Advisory Committee urged the OGC, in consultation with the Ministry and the PRRD, to circulate information to the residents and other stakeholders concerning the areas covered by the PRRD's request and the type of protections that will be in place and their impact on existing wells and requests for new tenures.

The applicants also alleged that the application, public consultation and approval process was flawed because many of the commitments made by Titan during the approval process were not incorporated as conditions in the approval. The Advisory Committee agreed that the initial well consultation was problematic because the timelines were not realistic. Titan clearly underestimated the level of concern that the proposal would generate. However, the Advisory Committee observed that Titan responded quickly by amending the project in July 2005 to shift the location of the wellsite and reduce the EPZ through an amended drilling program. Titan then endeavoured to address the other concerns raised during the public consultation process. Titan made a number of commitments to the residents, some of which were added as additional conditions the well authorization and some that were simply documented in an exchange of correspondence between the company, the residents and the OGC.

The Advisory Committee reviewed each of the additional conditions and concluded that they accurately addressed most of the key commitments made by Titan. To the extent that the residents and Titan disagreed on certain conditions, the Advisory Committee noted that those issues should have been dealt with through preliminary appropriate dispute resolution. It was apparent to the OGC at least as early as September 23, 2005 that this was going to be a contentious application with extensive community involvement. On that date, the issue of appropriate dispute resolution or preliminary appropriate dispute resolution was raised with the Executive Director of the Project Assessment Branch. The Advisory Committee noted that it was not clear from the file material why ADR or PADR was never pursued. The Committee concluded that the OGC could have saved all of the parties considerable time and effort if the Commission had been more proactive in that regard. The Advisory Committee concluded that the relatively few areas of disagreement which continued to exist with respect to specific additional conditions did not justify a request for reconsideration under section 9(1) of the Act.

The Committee noted that the remainder of the additional commitments requested by the applicants were addressed by Titan. The only question is whether commitments made by operators over and above the conditions set out in well site authorizations are legally binding and, if so, whether it is necessary to incorporate those commitments into conditions on the authorization. The Advisory Committee agreed with the OGC that commitments made by operators during the course of public consultation are binding in nature. The Advisory Committee indicated that the OGC should conduct an investigation and take appropriate regulatory action whenever an operator fails to comply with a commitment made during the public consultation process. The fact that the commitment is not contained as an additional condition in the well authorization is not a bar to regulatory action.

The Advisory Committee was satisfied that the commitments made by Titan during the public consultation process were well-documented and expressed confidence that the OGC would conduct an investigation and take action if any of those commitments were not followed through. The Committee concluded that the failure to include all of Titan's commitments in the additional conditions to the well authorization did not constitute a sufficient basis for requesting the OGC to grant an authorization for alternative dispute resolution under section 9(1) of the Act.

The Advisory Committee declined to exercise its discretion to request the OGC to grant alternative dispute resolution under section 9 of the Act in relation to the application for the well site but recommended that the OGC undertake preliminary appropriate dispute resolution in future cases where there is considerable community concern and the proponent has taken extensive steps to address the concerns raised by community members.

FY06-30 **ADR Applicants:** Doig River First Nation
 Original Applicants: Iteration Energy Ltd.
 Committee Decision: April 6, 2006

This Request for Reconsideration was brought by Doig River First Nation (DRFN) with respect to a well authorization approval issued to Iteration Energy Ltd. (Iteration).

Reconsideration Grounds

The DRFN alleged that the OGC failed to properly consider the Aboriginal and Treaty rights of First Nations in granting the approval. The DRFN submitted that the approval constituted a *prima facie* infringement of the rights of the First Nations because the works and activities associated with the approval would limit or impair the exercise of the rights of the First Nations without the necessary consultation and accommodation being carried out. The DRFN also submitted that the consultation process was not complete because the OGC and the operator did not provide the DRFN with certainty that the recommended mitigation steps to address concerns regarding landscape, habitat planning and cumulative effects management would occur.

Decision

The approval related to a well site located in the Osborn Resource Management Zone (ORMZ) which covers a land area of 231,642 hectares northeast of Fort St. John. In 1997, the Fort St. John Land and Resource Management Plan (LRMP) identified certain objectives for access and wildlife in the ORMZ.

The DRFN maintained that those objectives had not been met in relation to this approval despite repeated requests to the OGC for enhanced land use planning to address concerns regarding landscape, habitat planning and cumulative effects of development in the area. The DRFN referred to a “Wildlife Overview Assessment” completed by Chris Maundrell of Adlard Environmental in January 2006 which addressed those objectives and validated the DRFN’s concerns regarding cumulative impact of development on wildlife habitat. The report recommended five management strategies to mitigate the cumulative impact of development.

In a letter to the OGC dated February 10, 2006, the DRFN cited the Wildlife Overview Assessment in support of its request for meaningful and measurable strategies for enhanced management within the ORMZ:

... As we have repetitively done in the past, DRFN request that the Oil and Gas Commission, other relevant agency ministries, and industry partner together with DRFN to initiate meaningful and measurable strategies for enhanced management within the Osborn General Management area. DRFN wants to develop tools that will improve the consultation process established with the Oil and Gas Commission and subsequent oil and gas companies. As a starting point, DRFN wishes to continue the “Wildlife Overview Assessment Iteration Energy and Doig River First Nation”, authorized by Chris Maundrell of Adlard Environmental. This assessment supports the Elders’ knowledge that there is high valued habitat in the Osborn area for various wildlife categories, especially for moose. As a next step to the outcomes of this assessment, DRFN is requesting that detailed suitability and habitat mapping be conducted in the Osborn General Management area. The expected outcome is baseline data that can be used in the pre-planning stages to promote stand retention where there is a high valued habitat.

DRFN members look to these areas, as well as other areas, as a means to exercise their Treaty Rights well into the future. It is the concern of the community that the ability to exercise Treaty Rights will diminish due to the cumulative impacts. What information can the OGC and Iteration Energy Ltd. provide that will assure DRFN that thresholds have not been reached and that their Treaty rights will not be impacted by industry development?

Iteration responded in a positive manner to the DRFN's request by committing to work with the First Nation, the OGC and other industry partners to develop strategies for enhanced resource management.

On February 15, 2006, the OGC also expressed support for the DRFN's request but maintained that it was not the lead agency responsible for developing such strategies:

With regard to the cumulative impacts, these concerns were the subject of the comprehensive land planning process that was conducted through the Fort St. John Land and Resource Management Plan (LRMP). This consensus planning process strategically defines acceptable land uses and provides resource management direction to protect environmental and recreational values. The oil and gas activities applied for are consistent with the existing LRMP for the area. In addition to this planning process, more detailed plans are being developed through the Ministry of Sustainable Resource Management. The OGC and the Ministry of Sustainable Resource Management are continuing to request the First Nations' participation in these processes to refine the Land and Resource Management Plan.

The OGC stated that it was "committed to ensuring the cumulative effects of oil and gas activities, in association with other natural resource based activities on the land, are minimized through planning and management" but did not elaborate on what would be done to fulfill that commitment.

The DRFN was not satisfied with the commitments from Iteration and the expressions of support from the OGC. The DRFN's lack of trust and confidence in the process was reflected in an e-mail dated February 21, 2006 to Iteration expressing frustration at the lack of movement with respect to its concerns:

DRFN has communicated these very concerns more than once to industry and the Oil and Gas Commission. To date, we have seen no concerted (sic) or meaningful commitments made to the community that address our concerns. Industry and the Oil and Gas Commission have verbally stated that we will work together to address these concerns but we have not yet seen any evidence of such commitments. Therefore, you can appreciate and realize that we do not have trust or certainty that you or the Oil and Gas Commission will initiate meaningful and measurable strategies for enhanced management within the Osborn General Management area.

On February 22, 2006, the OGC responded that cumulative effects studies and wildlife studies should be done at the pre-tenure stage. The OGC indicated that it was not the lead agency for land planning but would continue to support the DRFN's requests for more studies.

On February 28, 2006, the OGC granted the well authorization.

To the extent that the DRFN's challenge to the approval is based in part on broad constitutional grounds relating to their Treaty and Aboriginal rights and the Crown's duty to consult and accommodate those rights, the Advisory Committee indicated that it did not have jurisdiction to consider and decide constitutional questions, including the question of whether the OGC carried out its responsibilities in compliance with section 4 of the Act.

The Advisory Committee noted that this application raised both site specific issues and broad policy issues concerning land use in the area. The Committee noted that the policy concerns regarding land use, which were at the heart of this application, transcended this particular approval and could not be dealt with in the context of an application under section 9 of the Act.

The Committee noted that this application reflected the DRFN's profound concern, and one that is shared by other First Nations, regarding the lack of process in place to consider the cumulative effects of the increasing oil and gas activity on First Nations. This has been an issue of ongoing concern for a considerable period of time. The Advisory Committee encouraged the OGC in the past to address the issue of cumulative effects management with the Ministry of Energy and Mines. A number of ministries and stakeholders must be engaged in the planning process for cumulative impact management in order to

yield results that can guide future decision-making for all resource users. The government's responsibility for developing more detailed strategies for the ORMZ is a daunting one given the size of the land area and the complex and competing interests that are at stake.

Recognizing that this process will take time, the Advisory Committee urged the OGC to consider taking steps in the interim to bring the parties together to develop a more coordinated oil and gas development approach within a smaller and more manageable area of the ORMZ. As Iteration has 19.2% of the area within the ORMZ, the Committee stated that it should be possible to define a smaller area for interim planning purposes. While the Committee agreed that the OGC is not the lead agency for land use or planning, it nevertheless expressed its commitment to "ensuring the cumulative effects of oil and gas activities, in association with other natural resource based activities on the land, are minimized through planning and management". The Advisory Committee concluded that developing an interim measure to coordinate oil and gas development is entirely consistent with the OGC's mandate to work within the framework of the LRMP.

The Advisory Committee noted that an interim measure of this nature, which could be informed by the management recommendations set out in the Wildlife Overview Assessment report, would not be an end in itself but rather a preliminary step. The Committee noted that the management recommendations were not onerous or excessive; nor was the DRFN's request for habitat mapping to obtain "baseline data that can be used in the pre-planning stages to promote stand retention where there is a high value habitat".

The Advisory Committee indicated that it was evident that the DRFN and Iteration were committed to working on an interim strategy for enhanced resource management. The Committee recommended that the OGC capitalize upon the willingness and goodwill of these parties to develop an interim process for a coordinated oil and gas management area.

The Advisory Committee determined that there were no grounds for granting the DRFN's reconsideration application to request the OGC to grant an ADR authorization under section 9 of the Act in relation to the subject approval but recommended that the OGC give consideration to bringing the parties together to develop a coordinated oil and gas management plan within a smaller area in the ORMZ pending completion of comprehensive strategies for cumulative impact management.

Summary of Requests for Reconsideration

Summary: To date, there have been 61 Requests for Reconsideration to the Advisory Committee (AC) for Alternative Dispute Resolution (ADR). The AC declined 53 and recommended eight (8). The OGC declined eight (8) but offered ADR, separately defined, for three (3).

| | Fiscal Year | Applicant | Advisory Committee Recommendation | Commission Decision | Reason for Decision |
|---------|--------------------|--------------------------|--|----------------------------|--|
| FY01-01 | 2001 | Oil company | Declined | N/A | <ul style="list-style-type: none"> Time expired. |
| FY02-01 | 2002 | Guide outfitter | Approved | Declined | <ul style="list-style-type: none"> Conflicting tenures issue. OGC initiated Conflict Tenures project. |
| FY02-02 | 2002 | BR First Nations | Declined | N/A | <ul style="list-style-type: none"> Covered by MOU; policy issues; Treaty Rights; Cumulative Impact Management. |
| FY03-01 | 2003 | BR First Nations | Declined - with recommendations | N/A | <ul style="list-style-type: none"> Covered by MOU; policy issues; Treaty Rights; Cumulative Impact Management. |
| FY03-02 | 2003 | Landowner/ Resident | Declined | N/A | <ul style="list-style-type: none"> Time expired. |
| FY03-03 | 2003 | SFN and WM First Nations | Approved (1 file); Declined (1file) | Declined (1) | <ul style="list-style-type: none"> Covered by MOU; policy issues; Treaty Rights; Cumulative Impact Management. Not suitable for ADR by company and First Nation. |
| FY04-01 | 2004 | SFN and WM First Nations | Approved | Declined | <ul style="list-style-type: none"> Covered by MOU; policy issues; Treaty Rights; Cumulative Impact Management. Not suitable for ADR by company and First Nation. |
| FY04-02 | 2004 | Landowner/ Resident | Approved | Declined | <ul style="list-style-type: none"> The OGC offered consensual ADR to the parties for matters related to Emergency Response Plan (ERP). Project did not proceed. |
| FY04-03 | 2004 | SFN and WM First Nations | Approved | Declined | <ul style="list-style-type: none"> The Commission offered ADR under section 8 of the act as a separate initiative which led to SRM Planning. |
| FY04-04 | 2004 | WM First Nations | Approved | Declined | <ul style="list-style-type: none"> The Commission offered ADR under section 8 of the act as a separate initiative which led to |

| | Fiscal Year | Applicant | Advisory Committee Recommendation | Commission Decision | Reason for Decision |
|---------|--------------------|--------------------------------------|--|----------------------------|--|
| | | | | | SRM Planning. |
| FY04-05 | 2004 | FN First Nation | Declined - with recommendations | Declined | <ul style="list-style-type: none"> The project is underway. |
| FY04-06 | 2004 | WM First Nations | Declined – with recommendations | N/A | <ul style="list-style-type: none"> The AC did not request the OGC to authorize reconsideration. |
| FY05-01 | 2005 | Resident | Declined | N/A | <ul style="list-style-type: none"> The AC did not request the OGC to authorize reconsideration. |
| FY05-02 | 2005 | HR First Nation and BR First Nations | Declined | N/A | <ul style="list-style-type: none"> Company withdrew application for wellsite. The AC did not review this application. |
| FY05-03 | 2005 | WM First Nations | Approved | Declined | <ul style="list-style-type: none"> Issues addressed are not ones that could effectively be addressed by ADR. The Commission stated that 10 day response period for notes to file is in agreements and MOUs with the FN. |
| FY05-04 | 2005 | BR First Nations | Approved | Declined | <ul style="list-style-type: none"> Issues addressed are not ones that could effectively be addressed by ADR. The Commission initiated dialogue with the applicant and MSRM to examine in a planning process. |
| FY05-05 | 2005 | Land owner | Declined - with recommendations | N/A | <ul style="list-style-type: none"> The AC did not request the OGC to authorize reconsideration. |
| FY05-06 | 2005 | BR First Nations | Declined - with recommendations | N/A | <ul style="list-style-type: none"> Issues are beyond the authority of AC; OGC engaging FN in proactive involvement in SRMP. |
| FY05-07 | 2005 | DR First Nation | Declined - with recommendations | N/A | <ul style="list-style-type: none"> Broad issues beyond the scope of authority of the AC. |
| FY05-08 | 2005 | FN First Nation | Declined - with recommendations | N/A | <ul style="list-style-type: none"> Beyond scope of AC's mandate, grounds were of administrative nature to OGC process. |
| FY05-09 | 2005 | WM First Nations | Declined – with recommendations | N/A | <ul style="list-style-type: none"> No jurisdiction to address. |
| FY05-10 | 2005 | WM First Nations | Declined – with recommendations | N/A | <ul style="list-style-type: none"> OGC action reveals no non-compliance. Many conditions regulated under acts or other statutes; therefore, inclusion of certain conditions is unnecessary. |
| FY05-11 | 2005 | WM First Nations | Declined – with recommendations | N/A | <ul style="list-style-type: none"> OGC action reveals no non- |

| | Fiscal Year | Applicant | Advisory Committee Recommendation | Commission Decision | Reason for Decision |
|---------|--------------------|------------------|--|----------------------------|--|
| | | | | | compliance. Many conditions regulated under acts or other statutes; therefore, inclusion of certain conditions is unnecessary. |
| FY05-12 | 2005 | WM First Nations | Declined | N/A | <ul style="list-style-type: none"> No jurisdiction to address. OGC actions reveal no non-compliance. |
| FY05-13 | 2005 | WM First Nations | Declined | N/A | <ul style="list-style-type: none"> Grounds same as previously reviewed and addressed by AC. |
| FY05-14 | 2005 | WM First Nations | Declined | N/A | <ul style="list-style-type: none"> Grounds same as previously reviewed and addressed by AC. |
| FY05-15 | 2005 | WM First Nations | Declined | N/A | <ul style="list-style-type: none"> Grounds same as previously reviewed and addressed by AC. |
| FY05-16 | 2005 | WM First Nations | Declined | N/A | <ul style="list-style-type: none"> Grounds same as previously reviewed and addressed by AC. |
| FY05-17 | 2005 | WM First Nations | Declined | N/A | <ul style="list-style-type: none"> Grounds same as previously reviewed and addressed by AC. |
| FY05-18 | 2005 | WM First Nations | Declined | N/A | <ul style="list-style-type: none"> Grounds same as previously reviewed and addressed by AC. |
| FY05-19 | 2005 | WM First Nations | Declined | N/A | <ul style="list-style-type: none"> Grounds same as previously reviewed and addressed by AC. |
| FY06-01 | 2006 | WM First Nations | Declined | N/A | <ul style="list-style-type: none"> Grounds same as previously reviewed and addressed by AC. |
| FY06-02 | 2006 | WM First Nations | Declined | N/A | <ul style="list-style-type: none"> Grounds same as previously reviewed and addressed by AC. |
| FY06-03 | 2006 | WM First Nations | Declined | N/A | <ul style="list-style-type: none"> Grounds same as previously reviewed and addressed by AC. |
| FY06-04 | 2006 | WM First Nations | Declined | N/A | <ul style="list-style-type: none"> Grounds same as previously reviewed and addressed by AC. |
| FY06-05 | 2006 | BR First Nations | Declined – with recommendations | N/A | <ul style="list-style-type: none"> No grounds to grant ADR. |
| FY06-06 | 2006 | WM First Nations | Declined | N/A | <ul style="list-style-type: none"> Grounds same as previously reviewed and addressed by AC. |
| FY06-07 | 2006 | WM First Nations | Declined | N/A | <ul style="list-style-type: none"> Grounds same as previously reviewed and addressed by AC. |
| FY06-08 | 2006 | BR First Nations | Declined – with recommendations | N/A | <ul style="list-style-type: none"> The AC did not request the OGC to authorize reconsideration. |
| FY06-09 | 2006 | WM First Nations | Declined | N/A | <ul style="list-style-type: none"> Grounds same as previously reviewed and addressed by AC. |
| FY06-10 | 2006 | WM First Nations | Declined | N/A | <ul style="list-style-type: none"> Grounds same as previously reviewed and addressed by AC. |
| FY06-11 | 2006 | WM First Nations | Declined | N/A | <ul style="list-style-type: none"> Grounds same as previously reviewed and addressed by AC. |

| | Fiscal Year | Applicant | Advisory Committee Recommendation | Commission Decision | Reason for Decision |
|---------|--------------------|------------------|--|----------------------------|---|
| FY06-12 | 2006 | WM First Nations | Declined | N/A | <ul style="list-style-type: none"> • Grounds same as previously reviewed and addressed by AC. |
| FY06-13 | 2006 | Resident | Declined – with recommendations | N/A | <ul style="list-style-type: none"> • Additional conditions imposed on permit were sufficient to address concerns. |
| FY06-14 | 2006 | WM First Nations | Declined | N/A | <ul style="list-style-type: none"> • Grounds same as previously reviewed and addressed by AC. |
| FY06-15 | 2006 | WM First Nations | Declined | N/A | <ul style="list-style-type: none"> • Grounds same as previously reviewed and addressed by AC. |
| FY06-16 | 2006 | WM First Nations | Declined | N/A | <ul style="list-style-type: none"> • Grounds same as previously reviewed and addressed by AC. |
| FY06-17 | 2006 | WM First Nations | Declined | N/A | <ul style="list-style-type: none"> • Grounds same as previously reviewed and addressed by AC. |
| FY06-18 | 2006 | FN First Nation | Declined – with recommendations | N/A | <ul style="list-style-type: none"> • Compliance, albeit minimal, with approval process. |
| FY06-19 | 2006 | WM First Nations | Declined | N/A | <ul style="list-style-type: none"> • Grounds same as previously reviewed and addressed by AC. |
| FY06-20 | 2006 | WM First Nations | N/A | N/A | <ul style="list-style-type: none"> • File was not completed by OGC when first submitted and time line has elapsed. |
| FY06-21 | 2006 | WM First Nations | Declined | N/A | <ul style="list-style-type: none"> • Grounds same as previously reviewed and addressed by AC. |
| FY06-22 | 2006 | WM First Nations | Declined | N/A | <ul style="list-style-type: none"> • Grounds same as previously reviewed and addressed by AC. |
| FY06-23 | 2006 | FN First Nation | Declined | N/A | <ul style="list-style-type: none"> • No basis for requesting R4R based on failure to grant extension because formal request had not been made. Also no reasonable basis to expect AIA as OGC advised that pipeline was flat and featureless. |
| FY06-24 | 2006 | WM First Nations | Declined | N/A | <ul style="list-style-type: none"> • Grounds same as previously reviewed and addressed by AC. |
| FY06-25 | 2006 | WM First Nations | Declined | N/A | <ul style="list-style-type: none"> • Grounds same as previously reviewed and addressed by AC. |
| FY06-26 | 2006 | FN First Nation | Declined | N/A | <ul style="list-style-type: none"> • Where the AAIF reveals that areas under application will have additional field work with AIA report to follow confirming no impact, AIA can be delivered at later date. |
| FY06-27 | 2006 | Resident | Declined | N/A | <ul style="list-style-type: none"> • Compliance with approval process. |

| | Fiscal Year | Applicant | Advisory Committee Recommendation | Commission Decision | Reason for Decision |
|---------|--------------------|------------------|--|----------------------------|--|
| FY06-28 | 2006 | WM First Nations | Declined | N/A | <ul style="list-style-type: none"> • Grounds same as previously reviewed and addressed by AC. |
| FY06-29 | 2006 | Resident | Declined - with recommendations | N/A | <ul style="list-style-type: none"> • Commitments made by proponent to residents were well-documented and it was not necessary to include them as additional conditions in permit. |
| FY06-30 | 2006 | DR First Nations | Declined – with recommendations | N/A | <ul style="list-style-type: none"> • Site specific concerns were adequately addressed and broader policy concerns regarding land use transcended scope of s. 9. |

Regular Meetings

- June 7 and 8, 2005 – Woodlands Inn, Fort Nelson, BC
- October 3 and 4, 2005 – Super 8 Motel, Fort St. John, BC
- December 5 and 6, 2005 – Westin Hotel, Calgary, AB
- March 13 and 14, 2006 – Northern Grand, Fort St. John, BC

Recommendations made to the Commission

Accepted/Done: 77 %, Under Review: 23%, Declined: 0 %

| Advice to the Commissioner | Commissioner's Response |
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| June 7 & 8, 2005 – Fort Nelson | |
| First Nations Aboriginal Relations | |
| Advisory Committee to meet with each of the First Nations Communities. | Accepted. |
| Advisory Committee Information on Website | |
| The Requests for Reconsiderations be updated and listed by FY# instead of by date on the website. Add quotations “with recommendations” where appropriate. | Done. |
| Create a central glossary of commonly used oil and gas acronyms to which all parties can refer. It is recommended that the glossary be posted on the website. | Done. |
| Pamphlet | |
| Pamphlet to be produced about the Advisory Committee’s role (after the OGRII paper is released). | Accepted. Will be part of External Relations Director tasks. |
| Oil and Gas Regulatory Improvement Initiative (OGRII) | |
| The Advisory Committee requests a direct opportunity to discuss and review the discussion paper with the OGRII group. | Accepted. |
| Cumulative Impact Management | |
| Develop a definition of Cumulative Impact Management in northeast BC. | Accepted. Conveyed to Integrated Land Management Bureau (ILMB). |
| Develop Cumulative Impact Management around Land and Resource Management Plan resource management zones and begin base mapping using Integrated Land and Resource Registry. | Accepted. Conveyed to Integrated Land Management Bureau of Agriculture and Lands for their consideration. |
| Facilitate a workshop of key players to define “the initial building blocks” of Cumulative Impact Management. (This would kick start Cumulative Impact within a framework of what we already do and can cost effectively manage to the end goal of Cumulative Impact.) | Accepted. This has been conveyed to ILMB & MEMPR for their consideration. |

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| Public Image and Trust | |
| Develop an awards program for innovation. Categories could include: (a) innovative technology; (b) innovative construction; (c) innovative collaboration; (d) innovative community relations. Perhaps announce and present awards at the Oil and Gas Conference. | Done. Implemented as part of the 2005 Oil and Gas Conference. |
| Client Services Survey | |
| Rename “Client Services Survey” the “Applicant Services Survey”. | Accepted. |
| Gravel Royalties | |
| Ministry of Energy, Mines and Petroleum Resources provide the Committee with an explanation of disparity in gravel royalties in northeast BC. | Accepted. Conveyed to MEMPR for action. |
| Meeting with the First Nations | |
| Improve quality of communication of Advisory Committee with all First Nations communities. | Accepted. Underway. |
| Reward effective pre-planning project discussions for both private landowners, First Nations and Stakeholders by achieving the ten day turnaround and others who did not provide effective pre-planning would not be afforded that turnaround time. | Accepted. Will incorporate into Simple, Normal, Complex definition of applications. |
| Define the consultation process and raise the standard of consultation. | Accepted for submission to OGRIL. |
| Advisory Committee to make an effort to meet with First Nations Chiefs and Councils and land offices on a regular basis. | Accepted. Underway. |
| All approved permits should be promptly faxed to First Nations. | Accepted. |
| October 3 & 4, 2005 – Fort St. John | |
| Glossary of Oil and Gas Acronyms | |
| Place the Glossary of Oil and Gas Acronyms on the website with a search capability for public viewing. | Done. |
| Archaeology Reports | |
| Implement a process to help satisfy the missing component that the new Archaeology process eliminated. | Under Review. |
| Integrated Land and Resource Registry (ILRR) | |
| ILRR be disseminated as widely as possible. The Peace River Block be given a standard geo-referencing. | Accepted. |
| December 5 & 6, 2005 - Calgary | |
| Commissioner’s Update - Budget | |
| The Advisory Committee provide a letter of support of the OGC in their proposal to be excluded from the <i>Public Service Act</i> and the <i>Public</i> | Done. |

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| <i>Service Labour Relations Act</i> to enable them to have flexibility to do their duty and to assist them in staff development. | |
| Stock Panel Sump Fencing | |
| The Advisory Committee recommends that the OGC investigate Talisman Energy's stock panel sump fencing as a best practice model for wildlife management. | Accepted. Will be considered as such. |
| List of Musts | |
| The Advisory Committee recommends that the OGC evaluate the merits of developing a 'list of musts' for consultation by proponents. | Accepted. Will be part of upgrading Consultation Guidelines and OGRIL. |
| Public Consultation Number | |
| The Advisory Committee add a Caveat to the "Public Consultation Number recommendation: {(R ²) October 3, 2005 – Investigate the merits of initiating a tracking number (PC#) to facilitate building a positive relationship with OGC clients}" of utilizing the OGC number rather than a new Public Consultation Number. | Under Review. |
| First Nation's Trappers | |
| Investigate Trapper's rights and privileges as being exercised in the oil and gas industry. | Done. The Conflicting Tenures book outlines rights and privileges. |
| Land and Habitat | |
| Review approval timelines for Land and Habitat as they seem to be more extensive than the Aboriginal review. | Accepted as a regular ongoing activity. |
| March 13 & 14, 2006 – Fort St. John | |
| Education | |
| Revisit and pursue the education recommendation. {No. 8-05 February 8, 2005 – " <i>Initiate a media strategy and active PR campaign by publishing results of Emergency Response Plan tests to aid in public confidence. Possible avenues would be via web, annual report, enforcement statistical report, newspaper, and/or hold public meetings.</i> "} | Under Review. |
| Land Agents Package of Information | |
| Investigate the feasibility of implementing the process used in Alberta whereby land agents provide a specified package of information to landowners and wait 48 hours before negotiating a lease agreement. In addition, explore the development of a checklist of information and items discussed that the landowner could sign and then submit to the OGC. | Under Review. |
| Terms of Reference – Committee Representation | |
| Remind the new Commissioner that Recommendation No. 27-05 dated | Under Review. |

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| <p>February, 2005 was accepted and was to be advanced during the next slate of appointments by government.</p> <p>{<i>“Terms of Reference indicate that the Advisory Committee is an 8 member Committee. Investigate and implement change to 9 or 10 members. The Committee would like to see committee membership increased to include and broaden additional First Nations perspective and regional experience (for example, KinBasket, Southern BC)”.</i>}</p> | |
| Landowner Liaison Inspector, OGC | |
| <p>Provide an update to the Advisory Committee with respect to the progress of independence of the Landowner Liaison Inspector as well as the effectiveness of the new Preliminary Alternative Dispute Resolution Manager.</p> | <p>Under Review.</p> |
| Requests for Reconsideration | |
| <p>Application of consistent approach with respect to terms and conditions for both community and individual-based applications (see also: R4R FY06-29).</p> | <p>Under Review.</p> |

List of Accomplishments

| <i>Landowner Liaison Inspector</i> | | |
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| Feb. 2005 | Recommended to the Commissioner to build media strategy and active public relations campaigns by publishing results of Landowner Liaison Inspector position to aid in public confidence, via web, annual report, newspaper or hold public meetings. | Accepted – Done. Report published, news release and media strategy implemented. |
| <i>First Nations Aboriginal Relations</i> | | |
| June 2005 | Advisory Committee to meet with each of the First Nations Communities and land offices on a regular basis. | Met with Fort Nelson First Nation, West Moberly First Nations, Prophet River First Nations, Saulneau First Nations, McLeod Lake Indian Band, Doig River First Nation and Halfway River First Nation. |
| June 2005 | Recommended to the Commissioner to reward effective pre-planning project discussions for both private landowners, First Nations and Stakeholders. | Accepted. Will be incorporated into Simple, Normal, and Complex definition of applications by future legislative change. |
| June 2005 | Recommended to the Commissioner that all approved permits should be promptly faxed to First Nations. | Accepted. |
| <i>Pamphlet</i> | | |
| June 2005 | Pamphlet to be produced about the Advisory Committee's role. | Done. See: www.ogc.gov.bc.ca |
| <i>Cumulative Impact Management</i> | | |
| June 2005 | Recommended to the Commissioner to Develop Cumulative Impact Management around Land and Resource Management Plan resource management zones and begin base mapping using Integrated Land and Resource Registry. | Accepted. Conveyed to Integrated Land Management Bureau of Agriculture and Lands for their consideration. |
| <i>Public Image and Trust</i> | | |
| June 2005 | Recommended to the Commissioner to develop an awards program for innovation. Categories could include innovative technology; innovative construction; innovative collaboration; and innovative community relations. | Implemented as part of the 2005 Oil and Gas Conference. |

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| <i>Glossary of Oil and Gas Acronyms</i> | | |
| Oct. 2005 | Recommended to the Commissioner that a central glossary of commonly used oil and gas acronyms be created and placed on the website with a search capability for public viewing. | Done. See: www.ogc.gov.bc.ca |
| <i>2005 Oil and Gas Conference in Fort St. John</i> | | |
| Oct. 2005 | Chair, Mike Waberski, made a presentation at the 2005 Oil and Gas Conference. | |
| <i>Stock Panel Sump Fencing</i> | | |
| Dec. 2005 | Recommended to the Commissioner that the OGC investigate stock panel sump fencing as a best practice model for wildlife management. | Accepted. Will be considered as such. |
| <i>List of Musts</i> | | |
| Dec. 2005 | Recommended to the Commissioner that the OGC evaluate the merits of developing a 'list of musts' for consultation by proponents. | Accepted. Will be part of upgrading Consultation Guidelines and OGRII. |
| <i>Industry Representatives</i> | | |
| Dec. 2005 | Advisory Committee met with industry representatives. | Meetings held as part of the Quarterly meeting in December, 2005. |
| <i>Landowner Representatives</i> | | |
| Mar. 2006 | Advisory Committee met with individual Landowners, the OGC Landowner Liaison Inspector, and representatives of the landowner associations. | Meetings held as part of the Quarterly meeting in March, 2006. |