

## New Development sub-committee meeting notes

October 14, 2015, 11 am – 1 pm

Shell Waterton Complex

Attendees -

Behn Morris, Jen Lough - AER

Leo Rydeek/MD

Darryl Carlson

David Green - SASCI

Shell -

Graham Scherger, Waterton Planner

Peter Argument, Waterton Complex, Operations Manager Bryan Withers, Seismic Interpreter Rod Sinclair, Community Liaison Officer, Waterton Complex Patty Richards, External Relations Manager, Foothills

Notes:

### 1. Shell CLO starts off with introduction

Intro to freehold lease acquired for Wat 78. Maps provided to all and Shell uses Google map image on projector screen. Guides attended to location in relation to Wat 77. Rod also covers all residents who live in proximity. He covered the various locations considered and why not pursued.

Questions:

How big a well site? A: Built for two. Comparable to 77. Approximately 100 by 130 metres square. Will keep it limited in size for now - fence off and graze until a second well undertaken and that not a given.

Noted that loop road boundary and isn't that in the new park? Would 'downhole' be under the park and how does that impact us? Discussion of no downhole impact for this well. Will the Gov't be selling mineral rights in park still with no new disturbance allowed? How will this work. **Action for Shell to follow up on this if gov't able to answer.**

A participant noted that they are not happy using Shell road as park boundary. Gov't says it is using because it is easily identifiable. Ranchers/grazing lease holders worried about public use of forestry area just outside (which may not have same restrictions). "A free for all" he calls it. The participant would rather use the forestry boundary as park boundaries - he is speaking especially for the grazing coops. So - means to include that forestry area in wilderness area NOT use Shell road as boundary. Shell ops manager speaks to how we can probably support that view given it is our road and under our management.

2. Shell CLO then brings up alternate drilling location on Wat 68 lease. Notes that was always in plan to drill two wells on this location. No new infrastructure - have good NTR management plan in place that we would freshen up then consult with. Waterton 68 is within the provincial park boundaries - not wilderness park. Group discussed what the government will let us do or not do...and we noted will be a

discussion point for our gov't meetings. We clarified we do have plans for Wat 68 eventually. Either the alternate for Wat 78 or part of 2017 plan.

3. Shell then goes through development time frame for well. Consultation begins now, then hopes for application in January. Includes 80 days approximately drill then month long completions with production expected in early Jan 2017. Rig is unknown at this time but will try to update at WAG or open house.

4. Lunchtime free conversation about cattle and Shell access road. More increase in recreational access, random camping. But the ranchers like the access for livestock. Participant brings up the ultimate exit strategy. What does happen to roads? Lots of discussion about Shell roads versus roads that become crown and who would maintain?

5. After lunch Shell ops manager brings up last series of meetings and concerns around traffic and road management. Looking to an identical traffic management plan to WAT 77 traffic management plan. Will occasionally use Revere Road if safety is a factor or in event of emergency - as egress.

**6. Shell ER Manager to follow up on well site 'reclaimed' to camping area in Burnt Timber or Caroline.**

7. Participant asks about any other plant activity that may be taking place at same time as drilling. Shell CLO notes that other than DAR should be business as usual. Then there was a discussion around the large number of vehicle trips last time.

8. Shell has one last point to make. We have submitted to Shell's business plan for this but not a 'slam dunk' not a done deal. Participant ask what happens if we do not get it. Would be pushed to 2017. However, if it starts to not pass the 'hurdle' we have different questions to ask. If it very much a reality in this market. Participant brings up disappointment in MD not meeting with Province.

Good discussion about 'end of life' - and what happens if opposition arises to 78. It does add an economic consideration to FID. Has an impact.

Shell wraps up with note on WAG – Ops Manager will not be there (Oct 28) but we will have Ops Superintendent to do Ops update, with open house in November.