



Date of City Council Meeting:

September 16, 2013

Subject: Gas Well Drilling in West Lethbridge

Submitted By: Jeff Greene, Director of Planning and Development

Presenter:

<p>Recommendation: That City Council receive this issue briefing as information and file.</p>

Purpose: The City of Lethbridge has been contacted by an energy industry company who has purchased mineral rights from Alberta Energy for oil in the Penny Field, a geologic formation in West Lethbridge. The company is currently working on a public involvement program as required by the AER Directive 56.

Background: Interest in obtaining Crown mineral leases for areas in and around the City of Lethbridge has been growing in recent years. As City Council was advised on October 23rd, 2012 the City of Lethbridge is centered on a formation known as the Penny Field. City Council formally stated its position objecting to Oil and Gas Drilling in Urban Areas at its November 13, 2012 meeting.

In accordance with AER/ERCB Directive 56 any energy industry proponent, seeking to apply for and obtain permission to drill for oil and gas must undertake a participant involvement program. As a municipality is considered a stakeholder in this process, administration was contacted and has met with the proponent who has secured mineral leases in West Lethbridge and will be seeking permission from the AER/ERCB to drill three oil wells in West Lethbridge.

The proponent has indicated that as part of its public involvement program it will be meeting with other stakeholder groups and will be hosting a public meeting in early October. They have indicated that details will be forwarded to the City, but at the time of writing this report those details were not available. A letter of objection from the City of Lethbridge has been filed with the AER/ERCB. As a result the application before the AER/ERCB will be considered a non-routine

application. Any decision is still entirely that of the AER/ERCB and there is no formal ability of the municipality to appeal that decision.

Director:



City Treasurer:

City Solicitor:

City Manager:

