

July 12, 2007

Agricultural Land Commission 133–4940 Canada Way Burnaby, British Columbia V5G 4K6 Tel: 604-660-7000

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Reply to the attention of Simone Rivers ALC File: # W - 37309

Pioneer Land Services Ltd 11312 - 100th Avenue Fort St. John, BC V1J 1Z9

Dear Sir/Madam:

Re: Application to use land for non farm uses in the Agricultural Land Reserve

Please find attached the Minutes of Resolution # 328/2007 outlining the Commission's decision as it relates to the above noted application. As agent, it is your responsibility to notify your client(s) accordingly.

Yours truly,

PROVINCIAL AGRICULTURAL LAND COMMISSION

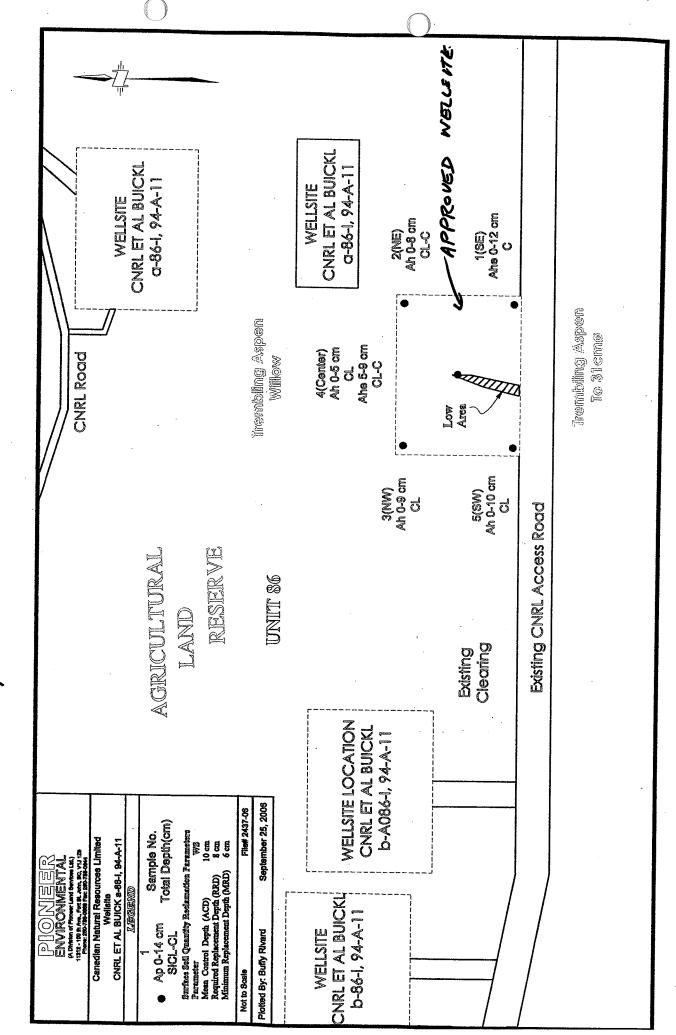
Erik Karlsen, Chair

cc: Peace River Regional District (#221/2006)

Enclosure: Minutes/Sketch Plan

MC/lv 37309d1

APPLICATION # W-37309 RESOLUTION # 328/2007



A meeting was held by the Provincial Agricultural Land Commission on June 27, 2007, in Fort St John, B.C.

PRESENT:

Erik Karlsen

Chairl

John Kendrew

Commissioner

William Norton

Commissioner

Simone Rivers Martin Collins Staff Staff

For Consideration

Application:

#W - 37309

Applicant:

Canadian Natural Resources Ltd

Agent:

Pioneer Land Services Ltd

Proposal:

To establish a 4th wellsite on the 64 ha property. The addition of a

fourth wellsite brings to total area used for oil and gas production to

7.84 ha, which is larger than the 7.0 ha allowed under the Commission's delegation agreement with the Oil and Gas

Commission.

Legal:

PID: 008-537-551

The South East 1/4, Section 29, Township 113, Peace River District

Location:

Blueberry Indian Reserve, North of Fort St. John.

Site Inspection

No site inspection was conducted. The Commission noted from the airphoto that the land was not cleared and cultivated, but understands it is used for intermittent grazing.

Commission Discussion:

The Commission had no objection to the fourth wellsite on the property on the grounds efforts have been made to share access, and reduce the impact of the oil and gas development on the property.

IT WAS

MOVED BY:

Commissioner J. Kendrew

SECONDED BY:

Commissioner E. Karlsen

THAT the application for a fourth well site on the subject property be allowed subject to reclamation (as per the delegation agreement between the ALC and the OGC (see schedule B)) and the attached sketch plan.

This decision does not relieve the owner or occupier of the responsibility to comply with applicable Acts, regulations, bylaws of the local government, and decisions and orders of any person or body having jurisdiction over the land under an enactment.

CARRIED

Resolution # 328/2007

SCHEDULE B

SITE RECLAMATION REQUIREMENTS:

This report is used to assess if the development site has been appropriately reclaimed and meets the criteria that demonstrate that reclamation is complete prior to a Certificate of Restoration being obtained for a well site or other oil and gas activity and within 24 months of installation and reclamation of a pipeline.

All sites constructed since 1995 must meet the following criteria. Sites that were developed prior to 1995 must also submit a Schedule B report containing the same information but will not be as rigorously reviewed.

The purpose of the following requirements is to ensure that the soil, topography, and vegetation of surface leases and pipelines are restored to an equivalent condition and capability after wells have been decommissioned and pipelines have been installed. Surface lease means all leases, easements, and rights-of-way that may be required for a well site, access road, pipeline, camp, workspace, sump, borrow pit and/or any other area related to oil and gas production. The requirements do not address site contamination and the disposal of wastes as these matters are the responsibility of other government agencies.

These reclamation requirements are intended to provide the flexibility to respond to practical realities of differing site characteristics and soils. There is room for interpretation of the Schedule B assessment criteria based on site specific issues and the professional judgement of the specialist hired to carry out the assessment.

Schedule A reports will be used as part of this review process as a baseline for pre-development information.

A report which documents that the following minimum requirements (in **bold**) have been met must be filed with the Oil and Gas Commission and the surface landowner prior to a Certificate of Restoration or approval to abandon is issued by the Oil and Gas Commission, or within 24 months of installing a pipeline:

NOTE: site development should NOT occur when the soil is extremely wet

Site Information:

- well name/legal and well site approval number or pipeline location (well to well)
- date of construction
- petroleum company name contact information
- location and legal description of property(s)
- name and contact information of surface landowner or specify if Crown land
- date of site inspection
- name and address of person conducting the site assessment

Definition of Surface Soil:

For the purposes of Schedule B, surface soil means the soil that has been salvaged, amended, and replaced onto the surface lease.

The description of each sample must include its texture class, based on the Canadian System of Soil Classification, Third Edition 1998.

Soil Reclamation Requirements:

The following minimum reclamation standards must be met:

a. Depth of Surface Soil

- the required replacement depth (RRD) of surface soil is 80% of the depth of the average A horizon on the adjacent undisturbed ground.
- the average replacement depth (ARD) is the average depth of all the surface soil samples. The ARD must be equivalent to or greater than the RRD.
- the minimum replacement depth (MRD) is 80% of the RRD. All surface soil samples must be ≥ the MRD, except for surface leases which were originally covered by native trees or shrubs or where the average A horizon depth on the undisturbed ground is <10 cm,
 - \triangleright Sites which were covered by trees or shrubs may have three surface soil samples, which are not adjacent, that are $\ge 40\%$ of the RRD.
 - > The MRD requirement does not apply where the average A horizon depth on the undisturbed ground is <10 cm, but the available surface soil must be replaced as evenly as possible across the entire surface lease.

b. Mixing of Soil Horizons

• the average admixing of all the surface soil samples must not be greater than 30%. That is, the average of the samples must be composed of less than 30% of non-surface soil (B horizon).

c. Soil Structure

- the average aggregate class of the surface soil samples must be the same as the average aggregate class of the samples from the undisturbed ground.
- the bulk density of the subsoil of the disturbed ground for each sampling location must not be more than 120% of the average bulk density of the subsoil of the undisturbed ground.

Topographic Requirements:

The topography of the surface lease must be restored to its original or better condition. The reclamation of the surface lease is to be assessed by comparing the reclaimed site, as a whole, with adjacent undisturbed ground. The following requirements must be met:

Criteria:	Requirement:
Drainage	 Surface drainage must be consistent with the original natural drainage patterns, directions, and capacity, or be compatible with the surrounding landscape. Facilities and structures left in place must not impede natural surface drainage and water flow.
Erosion	 The frequency and extent of erosion features must be similar to adjacent undisturbed land.
Contour	The contour of the surface lease must conform to adjacent land or be consistent with present or intended land uses.

Photographs must be taken which show the condition of the surface lease, associated developments and pipelines after reclamation. Each photograph should have noted with it the location, direction and any comments.

Overall Summary:

A short summary statement suggesting a pass or fail, comments on where criteria have not been met and if this will have a negative impact on the use of the land for agriculture and/or what should be done to remedy the problem areas. Any landowner/occupant comments or requests should be noted.

Report author sign off/signature and date.



Staff Report Application # W – 37309 Applicant: Canadian Natural Resources Ltd. Agent: Pioneer Land Services Ltd.

DATE RECEIVED: March 26, 2007

DATE PREPARED: June 11, 2007

TO: Chair and Commissioners – North Panel

FROM: Simone Rivers, Land Use Planner

PROPOSAL: To create the 4th wellsite on the property, with a total area of 7.84 ha which

is larger than the 7.0 ha allowed under the Commission's delegation

agreement with the Oil and Gas Commission.

This application is made pursuant to section 20(3) of the Agricultural Land

Commission Act.

BACKGROUND INFORMATION:

The proposed wellsite does not include an access road as it incorporates an existing CNR: access. The site is located in a forested area that is privately owned. Cattle have access to and utilize the area for grazing. Three other wellsites inst in this until along with several pipelines, seismic lines and access roads.

Local Government:

Peace River Regional District

Legal Description of Property:

PID: 008-537-551

The South East 1/4 of Section 29, Township 113, Peace River District

Location of Property:

Blueberry Indian Reserve, North of Fort St. John.

Size of Property:

64 ha (The entire property is in the ALR).

Present use of the Property:

Cattle grazing, wellsites, pipelines

Surrounding Land Uses:

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WEST: Wellsites/Piplelines, Cultivated Field, Pasture, Buick Creek

SOUTH: Wellsites/Pipelines, Northern Border of Blueberry River Indian Reserve

EAST: Wellsites/Piplelines, Cultivated Fields, Access Roads **NORTH:** Wellsites/Pipelines, Cultivated Fields, Access Road

Agricultural Capability:

Data Source: Agricultural Capability Map # 94A/11

The majority of the property is identified as having Secondary ratings.

Official Community Plan and Designation:

North Peace Official Community Plan Bylaw No. 820 (1983)

Designation: Rural Resource (Agricultural)

Zoning Bylaw and Designation:

Peace River Regional District Zoning Bylaw No. 1000 (1996)

Designation: A-2 (Large Agricultural Holding Zone)

Minimum Lot Size: 63 ha

LOCAL GOVERNMENT RECOMMENDATIONS/COMMENTS:

Peace River Regional District Board: The Regional Board has adopted a standing resolution to authorize all non-farm use applications for oil and gas activities to proceed to the ALC and the OGC including a comment that non-farm use and alienation of agricultural land be kept to a minimum, except for applications that would require a zoning by-law amendment.

STAFF COMMENTS:

• Staff recommend that all approvals for temporary oil and gas uses should be approved with conditions of reclamation and reporting once the use is no longer required.

ATTACHMENTS:

- Sketch of proposed wellsite
- ALC Context Map 94A/11 1:50,000 (created by ALC Staff)
- Airphoto 1:10,000 (Created by ALC Staff)

END OF REPORT

Signature

Date