

Hudson's Hope Landowners Paper

Coalbed Methane Meeting: Hudson's Hope People, OGC & Ministry of Energy:

Feb. 10, 2003:

Thank you M. Chairman,

The Oil & Gas Commission's Vision is to be "an innovative regulator respected by clients & stakeholders."

The Oil & Gas Commission's Mission statement says that the OGC wishes to regulate oil & gas activity through **fair, consistent, responsible and transparent stakeholder engagement.**

On June 20, about 45 people were in this room for 2 hours for what was billed as a workshop with the Oil & Gas Commission representatives. It consisted of a series of OGC and Mediation/Arbitration representatives telling the H.H Citizens what they did and where the regulatory powers lay.

In a letter to the Oil/Gas Commission & the Med./Arbitration Board, dated Jan.31, 2003, Counsel for Peace River Corporation says,

"The community has been aware of this project since the June 20th presentation on coalbed methane by the commission."

I was at that meeting. I couldn't remember either Coalbed Methane or Peace River Corporation ever being mentioned. I went and looked at the original invitation (8 pages of invitation) Coalbed Methane is not mentioned once. I talked to most of the 45 people & they agree – CBM was not mentioned at that meeting.

So when Peace River Corporation says that the community was informed about coalbed methane generally, and their project specifically, they are simply wrong.

I feel that needs to be pointed out, because it appears that the June 20 meeting is being used as evidence of Peace River Corporation's public involvement in this project. That claim would be false.

Going on from there, I would like to talk about how information about this CBM has come to us (or not).

The landowners and citizens have worked hard to inform themselves about CBM from many sources. They have also asked questions of the OGC. The media have asked questions. On January 10, in the Akaska Highway News, an OGC representative is quoted as saying that

*"coalbed methane isn't currently underway in Hudson's Hope....
So far, no applications for a CBM well have been applied for..."*

Technically speaking, in a hair-splitting sort of way, that may be true. But if the Oil & Gas Commission were truly committed to being **fair, transparent and responsible**, it would have gone that one step further, and on January 10 said, “*Well, no applications for specific wells, but Peace River Corporation’s Experimental Scheme has been applied for, and in fact was approved on December 31. So not one well, but a whole scheme of wells was applied for.*” And approved. Without the people of Hudson’s Hope knowing about it.

There were no objections to the Application for an Experimental Scheme, it says. It was advertised in the BC Gazette. And only the BC Gazette. The HH Library doesn’t even have the Gazette.

People of Hudson’s Hope would have objected had they known that an Experimental Scheme was applied for.

I’m wondering: Was anyone at the Oil & Gas Commission thinking about **fair, responsible and open processes when the application for this Experimental Scheme for Hudson’s Hope was advertised in the BC Gazette and nowhere else?**

EXPERIMENTAL SCHEME FOR HUDSON’S HOPE:

- *applied for Nov. 19 & granted Dec. 31, 2002.*
- *It covers all the tenures now owned by Peace River Corporation.*
- **Flaring:** *Each well may be flared for 6 months, or up to 255,000 cubic meters per well.*
- **Spacing:** *Wells may be drilled anywhere within the Scheme area, as long as they are 100 meters from the edge.*
- *the company is allowed to locate wells as required to optimally develop the project.*
- **Water:** *Water is disposed underground unless otherwise approved.*

Implementation of that scheme will completely change Hudson’s Hope. You would think that a **fair, responsible and open regulator** would let the people of a community know before it approves a scheme involving change of this magnitude.

Mr. Doyle, you were involved with the Environment Protection Board and the Berger Inquiry. You, of all the people in this room, would recognize a fair, responsible and open process.

Where is the equivalent of the Environment Protection Board in this situation?

Where is the group of experts that can independently assess this whole Coalbed Methane Scenario that we are embarked upon in this province?

Those experts are out there.

Where is the forum for them to tell us what is involved in this thing?

This a 2 hour meeting for people to express concerns.

It's called after the thing has already been approved. We have the approval, but we don't have the application.

This is a backwards process.

The last line of the Experimental Scheme Approval indicates the Commission's powers regarding the Approval.

The Hudson's Hope Landowners' Group therefore calls upon the Oil & Gas Commission to do 4 things:

- 1) Rescind the Experimental Scheme Approval.
- 2) Ask that the Morris Mediation Hearing scheduled for Feb. 12 be cancelled.
- 3) Ask Peace River Corporation to provide details of their long-term proposal.
- 4) Arrange for a hearing under the Environmental Assessment Act.

I would like to publicly recognize three people: Connie Brown, Peter & Steven Morris. If there are any heroes in this sorry tale, it is these three. They could have just looked after their own interests and moved on. They didn't. They looked at the what was happening to them, they stood up and said, "Hey, this isn't right." If it weren't for them, it's likely we still wouldn't know about the "**Experimental Scheme**" that is in store for us. Thank you.

Chronology of Events re: Coalbed Methane in Hudson's Hope
(as pieced together February 9, 2003)

2001:

Throughout 2001: Tenures sold within Dist. Hudson's Hope

2002:

Winter, '01/02: Test well on Kurz Property
June 20, 2002: OGC "Workshop" – does not mention Coalbed Methane
July 8, 2002: Draft Standards for Produced Water (July 8 Version)
October 19: Peter Morris receives call from Landman.
October 20: Landman appears at Morris' to ask for access
October 21: "Guidelines for Coalbed Methane Projects" is apparently published, although Landowners do not find it until January, '03 & they frequently will not download.
Q. Morris are expected to negotiate leases on their property 2 days *before these is published. How are they expected to know anything about CBM?*
November 19: Peace River Corporation, unknown to people in Hudson's Hope area, files for "Experimental Scheme" status. Application is filed in the BC Gazette, nowhere else.
December 21: Approximately 15 people gathered at the home of Connie Powell & Peter Morris and formed the Hudson's Hope Landowners Association.
December 31: Unknown to Hudson's Hope people, Peace River Corporation received approval for the Experimental Scheme.

2003:

Early January: Morris' receive notification that they must go to Mediation, set for Feb 6.
January 3: I wrote a letter to Derek Doyle, OGC Commissioner, informing them of the group's formation, and asking a number of questions.
January 4: Deborah Peck finds a notice on a Ministry website saying that a proponent "must clearly indicate that the posting request is to obtain rights for coalbed methane development (Coalbed Methane Policy) (New date set for Mediation –Feb 12.
January 10: Alaska High News Article: "...coalbed methane development isn't currently underway in Hudson's Hope, according to the province's Oil & Gas Commission.....so far there are no applications for a coalbed methane well," said OGC spokesperson Corey Jonsson.
January 12: Meeting at Hudson's Hope School – 95 people (see notes)
January 21: Mayor's letter
January 23: Landowners' letter to M/A Board requesting better access to rulings.
February 10: OGC & Ministry of Energy in town.

January 27

Landowners' Letter to Gerald German (Ministry), giving chronology of events and a plea for a truly "collaborative approach." (approx. 50 membrs)

January 30

Morris' lawyer received word from Peace River Corporation's counsel that the Experimental Scheme has been approved (and that the June 20 meeting was on coalbed methane generally and Peace River Corporation's project specifically).