ALBERTA ENVIRONMENTAL APPEAL BOARD

Discontinuance of Proceedings

Date of Mediation Meeting - September 30, 2002 Date of Discontinuance of Proceedings – October 7, 2002

IN THE MATTER OF Sections 91, 92 and 95 of the *Environmental Protection and Enhancement Act*, R.S.A. 2000, c. E-12;

-and-

IN THE MATTER OF a Notice of Appeal filed by Husky Oil Operations Limited (Husky Energy) with respect to the decision of the Inspector, Central Region, Regional Services, Alberta Environment, to refuse to issue a Reclamation Certificate to Husky Oil Operations Limited (Husky Energy) with respect to the Renaissance 2D Killam 2-34-41-13 Well in Flagstaff County, Alberta. Cite as: Husky Oil Operations Limited (Husky Energy) v. Inspector, Central Region, Regional Services, Alberta Environment (7 October 2002), Appeal No. 02-065-DOP (A.E.A.B.).

MEDIATION MEETING BEFORE:

Dr. M. Anne Naeth.

APPEARANCES

- Appellant: Ms. Judy Spady and Mr. Russell Watts, Husky Oil Operations Limited (Husky Energy), Mr. Larry Nikiforuk, Soil Info. Ltd., represented by Mr. Tom Owen of Owen Thomas.
- **Department**: Mr. Jim North, Inspector, Central Region, Regional Services, Alberta Environment, Mr. Wayne Boyd and Mr. Bill Pelech, Alberta Environment, represented by Mr. Dave France, Alberta Justice.
- Landowner: Mr. Ray Strom, Landcore International Corp. representing Mr. Abe Thiessen.
- Board Staff: Ms. Marian Fluker, Senior Research Officer.
- **Other Parties:** Ms. Regan Hawes, Land Reclamation Student, Alberta Environment (Observer).

EXECUTIVE SUMMARY

Alberta Environment refused to issue a Reclamation Certificate to Husky Oil Operations Limited (Husky Energy) for a well in Flagstaff County, Alberta.

The Environmental Appeal Board received a Notice of Appeal from Husky Oil Operations Limited (Husky Energy) appealing Alberta Environment's decision.

The Board held a mediation meeting in Forestburg, Alberta following which the Appellant withdrew the appeal.

The Board therefore closes its file.

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I. BACKGROUND

[1] On July 17, 2002, the Inspector, Central Region, Regional Services, Alberta Environment (the "Inspector") refused to issue a Reclamation Certificate (the "Certificate") to Husky Oil Operations Limited (Husky Energy) (the "Appellant") with respect to the Renaissance 2D Killam 2-34-41-13 well in Flagstaff County, Alberta.

[2] On August 14, 2002, the Environmental Appeal Board (the "Board") received a Notice of Appeal from the Appellant appealing the Inspector's decision. On the same date, the Board acknowledged receipt of the Notice of Appeal, advised the Inspector of the appeal and requested the Inspector provide the Board with the documents related to this matter (the "Record"). The Board also requested the Appellant and Inspector provide their available dates for a mediation meeting or hearing and to advise the Board if in their opinion, there were any other persons that may have an interest in this appeal.

[3] According to standard practice, the Board wrote to the Natural Resources Conservation Board and the Alberta Energy and Utilities Board asking whether this matter had been the subject of a hearing or review under their respective legislation. Both Boards responded in the negative.

[4] On August 28, 2002, the Board received a letter from the Inspector advising that Mr. Abe Thiessen, the owner of the land on which the well is situated, (the "Landowner"), may have an interest in the appeal. The Board also received the Record from the Inspector, and forwarded a copy to the Appellant and Landowner on August 29, 2002.

[5] On August 29, 2002, the Board wrote to the Landowner, notifying him of the appeal and requesting that he advise the Board if he wished to participate in the appeal, by September 5, 2002.

[6] On September 5, 2002, the Board received a letter from the Landowner advising that he wished to participate in the appeal, providing his available dates for a mediation meeting or hearing and requesting a site visit.

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II. THE MEDIATION MEETING

[7] Pursuant to section 11 of the Environmental appeal Board Regulation, A.R. 114/93, the Board conducted a mediation meeting in Forestburg, Alberta, on September 30, 2002, with Dr. M. Anne Naeth as the presiding Board Member.

[8] In conducting the mediation meeting, Dr. Naeth reviewed the appeal and mediation process and explained the purpose of the mediation meeting. She then circulated copies of the Participants' Agreement to Mediate. All Parties signed the Agreement and discussions ensued.

[9] At the mediation meeting the Appellant and the Inspector agreed to continue discussions and to provide a status report to the Board. On October 2, 2002, the Board wrote to the parties requesting they provide status reports to the Board and advising:

"It is still the Board's hope that Mr. Thiessen will participate in the final resolution of Husky's appeal. However, it is important that the parties understand that a resolution of this appeal can be achieved by the Inspector and Husky signing an agreement that results in Husky withdrawing their appeal."

[10] On October 4, 2002, the Board received a letter from the Inspector stating:

"I hereby revoke my decision of July 17, 2002 to refuse to issue a reclamation certificate with respect to the above-noted well site."

[11] On October 4, 2002, the Board also received a letter from the Appellant withdrawing their appeal. The Appellant's letter stated:

"Further to Mr. North's letter dated October 4th, 2002...Husky Oil Operations Limted hereby withdraws its Notice of Appeal in the above matter dated August 14th, 2002.

III. DECISION

[12] Pursuant to section 95(7) of the *Environmental Protection and Enhancement Act*, R.S.A. 2000, c. E-12, and based on the Appellant's letter of October 4, 2002 withdrawing their appeal, the Board hereby discontinues its proceedings in Appeal No. EAB 02-065 and will be closing its file. The Board advises however, that the decision of the Inspector to revoke his decision and the withdrawal of the appeal by the Appellant does not affect the Landowner's ability to file an appeal with the Board if a Reclamation Certificate is issued.

Dated on October 7, 2002, at Edmonton, Alberta

William A. Tilleman, Chair