

**From:** [Yuk-Sing Cheng](#)  
**To:** [ARC Team](#)  
**Cc:** [Richard Secord](#); [kyza.taylor@oldscollge.ca](mailto:kyza.taylor@oldscollge.ca)  
**Subject:** Statement of Concern - Taylor - Granite Oil Corp.  
**Date:** Thursday, April 27, 2017 4:07:52 PM  
**Attachments:** [2017 04 27 LT AER - SOC - Taylor.pdf](#)

---

Dear ARC Team,

**Re: Statement of Concern  
Audrey Taylor and Robert Taylor**

**Granite Oil Corp.  
AER Applications 1885444, 1885437 and 1885446**

Please find attached correspondence with respect to the above-noted matter.

Best regards,

**Yuk-Sing Cheng**

Associate | Ackroyd LLP

1500 First Edmonton Place, 10665 Jasper Avenue, Edmonton AB T5J 3S9

T 780 412 2724 | F 780 423 8946 | E [ycheng@ackroydlaw.com](mailto:ycheng@ackroydlaw.com)

[Bio](#) | [vCard](#)

The contents of this e-mail are confidential and subject to solicitor/client privilege. If the reader is not the intended recipient or its agent, be advised that any dissemination, distribution, or copying of the content of this e-mail is prohibited. If you have received this e-mail in error, please notify us immediately and destroy any copies you may have. Thank you.

OUR FILE No. 152555 /RCS

YOUR FILE No. 188544, 1885437, 1885446

**VIA EMAIL: ARCTeam@aer.ca**

April 27, 2017

Alberta Energy Regulator  
1000, 250 - 5 Street SW  
Calgary Alberta Canada T2P 0R4

Dear Sir or Madam:

**Re: Statement of Concern  
Audrey Taylor and Robert Taylor**

**Granite Oil Corp.  
AER Applications 1885444, 1885437 and 1885446**

We act for Audrey Taylor and Robert Taylor (the "Taylors"). The nature of the Taylors' objection to AER Applications 1885444, 1885437 and 1885446 is as set out in their Statement of Concern ("SOC") dated December 4, 2015 (Cover Email, Statement of Concern and AER Response are attached). All of their concerns set out in the December 4, 2015 SOC continue to apply to the recently filed AER Applications 1885444, 1885437 and 1885446.

For well over 2 years now, Granite has known there was strong opposition to its plans to drill oil wells in this very special area. Granite has not taken any meaningful steps to have an AER hearing held before its mineral leases expire.

Temperate grasslands remain one of the least protected biomes in Alberta and globally. They are home to habitats and species of concern. The government has indicated under the Land Stewardship Framework that it wants to legislate protection for this special area.

Alberta is closer to legislated protection for this special area now than it was two years ago when the Taylors submitted their Statement of Concern on December 4, 2015. The important wildlife resources and habitats of the Milk River Ridge Foothills Fescue Grasslands are still there. It is impossible for Granite to drill these oil wells without violating the guidelines for environmental protection established by Alberta Environment and Parks.

The Taylors continue to demonstrate the highest stewardship and love for the land and do not want Granite to develop oil wells on this environmentally sensitive landscape.

Yours truly,

**ACKROYD LLP**

*(Original signed by R Secord)*

RICHARD C. SECORD  
RCS/sl

Enclosures

cc: Granite Oil Corp.  
Attention: Ryan Cheyne  
via email: [rcheyne@graniteoil.ca](mailto:rcheyne@graniteoil.ca)

cc: Clients

## Richard Secord

---

**From:** Ifeoma Okoye  
**Sent:** Friday, December 04, 2015 1:20 PM  
**To:** ARCteam@aer.ca  
**Cc:** Stephanie Kittleson; Richard Secord  
**Subject:** Granite Oil Corporation Proposed Wellsites and Pipelines; Surface Locations: SE 17 & 8 - 3-18-W4M and 3-4-18-W4M - Statement of Concerns  
**Attachments:** Statement of Concern- Taylor - 2015-12-04.pdf

Dear ARC Team,

We act for Audrey and Robert Taylor, the owners of certain lands that will be affected by Granite Oil Corporation's proposed wellsites and pipeline development. Please see the attached statement of concerns being submitted on behalf of Audrey and Robert Taylor.

We look forward to hearing from you.

Yours truly,  
Ifeoma Okoye

**Ifeoma M. Okoye, Associate**

Ackroyd LLP | [www.ackroydlaw.com](http://www.ackroydlaw.com)

**T** 780 412 2716 | **F** 780 423 8946

**E** [iokoye@ackroydlaw.com](mailto:iokoye@ackroydlaw.com)

1500 First Edmonton Place, 10665 Jasper Avenue,  
Edmonton AB Canada T5J 3S9

[Bio](#) | [vCard](#)

The contents of this e-mail are confidential and subject to solicitor/client privilege. If the reader is not the intended recipient or its agent, be advised that any dissemination, distribution, or copying of the content of this e-mail is prohibited. If you have received this e-mail in error, please notify us immediately and destroy any copies you may have. Thank you



**RICHARD C. SECORD, LLM**  
(780) 412-2717  
rsecord@ackroydlaw.com

ASSISTANT: SANDRA L.  
(780) 423-8905 ext 243  
slodoen@ackroydlaw.com

OUR FILE No. 152555/RCS

YOUR FILE No.

December 4, 2015

**VIA EMAIL:** ARCTeam@aer.ca

Alberta Energy Regulator  
1000, 250 - 5 Street SW  
Calgary Alberta Canada T2P 0R4

Dear Sir/Madam:

**Re: Granite Oil Corp Proposed Wellsites and Access Roads (Options A, B, and C)**  
**Surface Locations: SE 17-3-18-W4M and SE 8-3-18-W4M**  
**Granite Oil Corp Proposed Pipelines from 2-8-3-18-W4M to 2-3-4-18-W4M**  
**Audrey Taylor and Robert Taylor Statement of Concerns**

We act for Audrey Taylor and Robert Taylor (the "Taylors"). The Taylors are co-owners of lands legally described as SW 29-03-18-W4M and SE 29-03-18-W4M. The Taylors are the co-lessees of Grazing Lease No. 32283 in relation to the following Crown lands:

- E ½ of 17-3-18-W4M
- SE 20-3-18-W4M
- W ½ of 20-3-18-W4M
- E ½ of 8-3-18-W4M

Granite Oil Corporation ("Granite") proposes to construct wellsites and access roads that will be located on the Crown lands operated by the Taylors as well as pipelines which will be located on lands owned by the Taylors. The Taylors use these lands for their farming operation.

The Taylors understand that Granite has not filed an application to the Alberta Energy Regulator ("AER") for approval of these energy developments. However, the Taylors want to inform the AER of their objection to this proposed energy development on grounds stated below.

## **1. Description of the Proposed Project**

Granite proposes to drill and complete one oil well with surface location at SE 8-3-18-W4M ("SE 8 Site") and two bottom holes at 1-10-3-18-W4M ("2A-8 site") and 4-6-3-18-W4M ("2B-8 Site"). The wells would be horizontally drilled from within LSD 2 of section 8.

Granite proposes to drill and complete one oil well at SE 17-3-18-W4M ("SE 17 Site"). The SE17 well would be horizontally drilled from within LSD 1 of section 17 with two bottom holes located at LSD 1-16-3-18-W4M ("1A-17 site") and 4-18-3-18-W4M ("1B-17 Site").

Both the SE 8 Site and the SE 17 Site are expected to encounter hydrogen sulphide (H<sub>2</sub>S) during drilling, completions, workover, and production at a rate of 40.00mol/kmol.

Granite also proposes to construct and operate pipelines from LSD 2-8-3-18-W4M to LSD 2-3-4-18-W4M. These pipelines will traverse lands owned by the Taylors jointly with Harley Charles Earl and Joan Muriel Earl.

## **2. Nature of the Taylors' objection to the Proposed Project**

The Taylors' objection concerns the following:

### **(a) Irreparable Harm to a Sensitive Environment**

The proposed project will be located within environmentally significant areas. The proposed project does not address specific concerns regarding Protective Notations on the Government of Alberta's records for lease lands in the area both at the well sites locations and along proposed access roads and pipelines.

The Protective Notations are:

- PNT090085 -- MULTIPLE RESOURCE CONCERNS:  
THIS LOCATION MAY FALL WITHIN AN AREA OF FOOTHILLS FESCUE GRASSLAND, A VERY VALUABLE NATIVE GRASSLAND TYPE THAT IS LIMITED IN REMAINING AREA. ROUGH FESCUE GRASSLANDS ARE VERY SENSITIVE TO SURFACE DISTURBANCE AND DIFFICULT AND COSTLY TO RECLAIM.
- PNT930113 -- SPECIAL FISH AND WILDLIFE MANAGEMENT AREA:  
710 - BECAUSE OF THE SENSITIVITY OF THE AREA, INDUSTRIAL DEVELOPMENT WILL REQUIRE A LAND SURFACE MANAGEMENT PLAN SPECIFICALLY ADDRESSING ACCESS, RECLAMATION AND WILDLIFE.
- PNT080034 -- 710 MILK RIVER WATERSHED:

POTENTIAL CONCERNS REGARDING MULTIPLE RESOURCE VALUE INCLUDING SPECIES AT RISK, HISTORICAL RESOURCES AND KEY WILDLIFE AND FISHERIES HABITAT. POTENTIAL CONCERNS REGARDING ERODIBLE SOILS, SENSITIVE SLOPES, FLOODING AND ICE SHEAR"

**(b) Deficiency of Information in Granite's Project Notification Letter dated May 21, 2015**

The Taylors were not provided with a copy of the "Land Surface Management Plan" required under the above Protective Notations to specifically address access, reclamation and wildlife.

The Taylors note that there is a Licence of Occupation for a fire access trail to the County of Warner (DLO941343). There is no information on how this fire access trail will be used and if Granite has secured permission from the County of Warner regarding use or obstruction of this fire access trail.

Granite's project proposals do not deal with the fact that the project area is mapped as environmentally significant and that the project area is proposed to be designated a protected area under the South Saskatchewan Regional Plan.

The project proposals do not deal with required setbacks from sensitive wetlands which are abundant in this area. Granite's proposed access for all options (A, B and C) impinges on required setbacks from wetlands. The well center for the well at SE 8 Site impinges on required setbacks from wetlands, including a wetland mapped by the Government of Alberta.

Lastly, the project proposals do not deal with sensitive Sharp-tailed Grouse leks and required setbacks. The proposed access for all options (A, B and C) does not have the required setbacks from these leks. This includes a lek mapped by the Government of Alberta as well as an unmapped lek identified by a Professional Biologist with experience in this area.

**(c) Noise concerns**

The Taylors are concerned about the increased noise levels that will result from the proposed project. Granite indicates in the May 21, 2015 notification letter to the Taylors that drilling of the wellsite will take approximately 24 days followed by completion and construction operations which it anticipates will be complete within 6 months from the start date. The Taylors are concerned that they will be exposed to higher than normal noise levels from the drilling, construction and completion activities for 6 months or longer that it takes Granite to complete the wellsites.

The Taylors note that there will be increased traffic during this phase of the wellsite construction which will significantly increase the noise level as well as interrupt their farming activities.

The Taylors are concerned that they will experience these increased noise levels again when construction of the pipelines begins. The Taylors' concern in this regard arises from Granite's comment that the pipelines will only go in if the well is determined to be productive and the pipelines have received appropriate approvals. Granite indication that daily operator's visits with the hauling of produced materials will continue after the completion phase of the wells until Granite determines that the wells are productive confirms that the noise levels will be significant for a period of time.

**(d) Air Pollution Concerns**

The Taylors are concerned about the effects on their health and that of their livestock from the flaring of gas that Granite anticipates will occur during testing and production phases of the wells.

The Taylors also have concerns about the dust that will arise all through the different phases of this project and its effect on their health and the health of their livestock that will be around during the construction, production, and operation of the wellsites, access roads and the pipelines.

Granite anticipates that it will encounter hydrogen sulphide at concentration levels of 40mol/kmol during drilling, completions, and production at the SE 8 Site and the SE 17 Site. Granite further anticipates that the release rate of the H<sub>2</sub>S will be greater than 0.01 m<sup>3</sup>/s but less than 0.3 m<sup>3</sup>/s. The Taylors are concerned about the effect of continued exposure to hydrogen sulphide during the above operations on their health and that of their livestock.

**3. The disposition that the Taylors advocate**

The Taylors request the Regulator to note and consider their objection whenever Granite applies for a licence to construct the wells, access roads and pipelines.

In addition, the Taylors respectfully request the Regulator to put them on the notice list when Granite files an application affecting the above described lands. The Taylors further request the Regulator to hold a public hearing to evaluate such application when it is filed.

**4. The Taylors contact information**

Audrey Taylor and Robert Taylor  
Box 11  
Warner, Alberta, T0K 2L0  
Phone number: 403-642-3881  
Email: [kyza.taylor@hotmail.com](mailto:kyza.taylor@hotmail.com)



Yours truly,

**ACKROYD LLP**

*(Original signed by)*

RICHARD C SECORD  
RCS/imo

Cc: Granite Oil Corp, Attn.: Stephanie Kittleson @ [skittleson@graniteoil.ca](mailto:skittleson@graniteoil.ca)

Cc: Clients

December 7, 2015

Calgary Head Office  
Suite 1000, 250 – 5 Street SW  
Calgary, Alberta T2P 0R4  
Canada

By e-mail only

[www.aer.ca](http://www.aer.ca)

Richard Secord  
**Ackroyd LLP**

E-mail: [rsecord@ackroyd.com](mailto:rsecord@ackroyd.com)

**GRANITE OIL CORP.  
PROPOSED WELLSITES AND ACCESS ROADS  
LOCATION: 29-003-18 W4M**

Dear Richard Secord,

The Alberta Energy Regulator (AER) has received your correspondence dated December 4, 2015, regarding your clients, Audrey and Robert Taylor's, concerns about proposed Wellsites and Access Roads at 29-003-18 W4M, by Granite Oil Corp.

If you have not already done so, please send your concerns directly to the energy company. Companies are required to communicate with all concerned parties about proposed projects in order to address the concerns.

Please note that the AER has not received a formal application for the subject project. The AER expects energy companies to send a copy of the notice of application directly to those who have raised concerns to the company. You can also find out if the AER has received an application by looking at the [Public Notice of Application](#) and [Notices](#) webpages on the AER website.

If the AER does receive an application and you still have concerns, you must submit a Statement of Concern (SOC) before the deadline indicated on the notice of application. Your Pre-application Concern submission will not be considered as a Statement of Concern or included in the review of the application. On the AER website you will find a [Statement of Concern](#) page which provides more information about SOC's, such as our SOC [EnerFAQ](#) and [Form](#).

The AER has an Alternative Dispute Resolution (ADR) program to help parties work with energy companies to resolve concerns. Further information is available on our [Alternative Dispute Resolution](#) webpage, where you can find our ADR [EnerFAQ](#) and [Manual](#).

Should you have any questions regarding your concerns or the ADR program, please contact Heather Seagrave at 403-297-2165 for more information.

Should you have any inquiries or regulatory questions please contact the Customer Contact Centre, toll free, at 1-855-297-8311 or by email at [inquiries@aer.ca](mailto:inquiries@aer.ca).

Alberta Stakeholder Engagement,  
Stakeholder and Government Relations

cc: Heather Seagrave, AER Mediator, [Heather.Seagrave@aer.ca](mailto:Heather.Seagrave@aer.ca)  
Julia Fulford, AER Regional Manager, [Julia.Fulford@aer.ca](mailto:Julia.Fulford@aer.ca)

Helpful Links:

Public Notice of Application

[www.aer.ca](http://www.aer.ca) – Systems & Tools – Public Notice of Application

[http://search.aer.ca/pnoa-en/search/theme/pnoa?fq\[\]=feed\\_str:all&sort=recent](http://search.aer.ca/pnoa-en/search/theme/pnoa?fq[]=feed_str:all&sort=recent)

Notices

[www.aer.ca](http://www.aer.ca) – Applications & Notices – Notices

<http://www.aer.ca/applications-and-notices/notices>

How Do I Get Involved?

[www.aer.ca](http://www.aer.ca) – Applications & Notices – How Do I Get Involved

<http://www.aer.ca/applications-and-notices/how-do-i-get-involved>

Alternative Dispute Resolution

[www.aer.ca](http://www.aer.ca) – Applications & Notices – How Do I Get Involved – Alternative Dispute Resolution

<http://www.aer.ca/applications-and-notices/alternate-dispute-resolution>

Statement of Concern

[www.aer.ca](http://www.aer.ca) – Applications & Notices – Statement of Concern

<http://www.aer.ca/applications-and-notices/statement-of-concern>