Drayton Valley Western Review March 26, 2008

Re: ERCB Letter

The Energy Resources Conservation Board recently said that I got my facts all wrong when it came to board's stellar record on gas migration, sour gas leaks and groundwater monitoring.

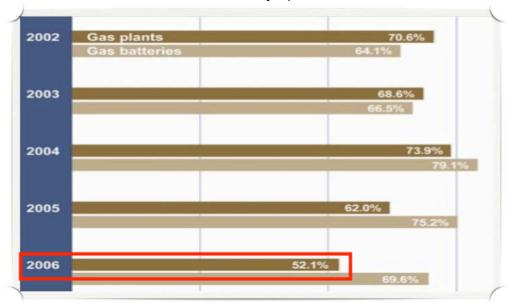
I am an Alberta landowner and an award winning journalist who has covered the policies and failings of the ERCB for nearly two decades.

First, let's deal with the serious issue of gas migration which is both an economic waste and a source of pollution. In 2003 the journal GasTips reported that 57% of the wells in eastern Alberta and Saskatchewan leak due to poor cement jobs.

A 2002 study (SPE 75689) found that the percentage of leaking wells in some fields ranged from as low as 4% in Wildmere to as high as 80% in Abbey. At the public meeting in Drayton I accurately reported that some Alberta fields leak as much as 80% as carefully documented by the Society of Petroleum Engineers.

The ERCB, however, says that "less than one percent of Alberta's wells have experienced gas migration." Given this finding, I suspect that the board's monitoring and tracking system may well be the least reliable in North America.

As everyone in Drayton Valley knows the ERCB has only two mobile air monitors as I reported. It's nice that they have 80 portable ones. To have only two air monitoring trucks in a province where compliance rates for all sweet and sour gas facilities fell to an all time low of 52.1% in 2006, seems overly optimistic.



Andrew Nikiforuk • andrew@andrewnikiforuk.com • 403.270.2995

I also reported that the ERCB was not frank or honest in their assessment of the January gas release in Drayton Valley. According to several landowners, the ERCB didn't try very hard to find the source of the leak and refused to use air quality data available from a local monitoring program. I stand by my comments.

Finally, a word on groundwater. The facts strongly suggest that the province has done a poor job protecting groundwater. In 2006 the Railroad Commission of Texas, the state's oil and gas regulator, reported to the Texas Groundwater Protection Committee that they were investigating 351 cases of groundwater contamination from oil and gas activities in 110 counties.

Landowners might want to ask how many cases the ERCB investigated in 2006?

Sincerely, Andrew Nikiforuk 403-270-2995