

**PHASE I ENVIRONMENTAL SITE ASSESSMENT**

**MINCHAU FARM**

**NW & SW 25-51-26-W4M**

**PARKLAND COUNTY, ALBERTA**

Prepared For:

**RE/MAX CENTRAL**

Prepared By:

**SHELBY ENGINEERING LTD.**

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File No. 3-11,813

AUGUST 2006

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Standard Terms and Conditions for the Provision  
of Services by Shelby Engineering Ltd.

## **1.0 INTRODUCTION**

Mr. Roy Kelley, of Re/Max Central retained Shelby Engineering Ltd. on behalf of Mr. Gurdeep Purewal to complete a Phase I Environmental Site Assessment (ESA) of the Minchau Farm, (NW & SW - 25-51-26-W4M), Parkland County, Alberta.

This study was initiated on July 27, 2006 and is subject to the Standard Terms and Conditions for the Provision of Services by Shelby Engineering Ltd., which are included in Appendix V.

### **1.1 SCOPE**

This Phase I ESA was conducted in general accordance with the Canadian Standards Association (CSA) Z768-01 *Phase I Environmental Site Assessment*. A Phase I ESA assesses the subject property for actual or potential presence of contamination with a view to determining whether further detailed site specific investigations are required beyond this report. A Phase I ESA consists of a visual inspection of the subject lands and surrounding properties, a historical record review which includes aerial photographs and land title documents as well as interviews with regulatory agencies and individuals. This study was restricted to determining property use over the past approximate fifty years.

## **2.0 SITE INSPECTION**

Our inspection of the subject property and immediate surroundings properties was undertaken on July 27, 2006 and was generally limited to a one block radius.

## 2.1 SUBJECT PROPERTY

The subject property also referred to herein as the site or subject is known as the Minchau Farm and is legally described as the North West and South West quarter sections of Section 25 Township 51 Range 26 West of the 4<sup>th</sup> Meridian.

The Minchau Farm is located in the north east corner of the intersection of Fleming Road and Woodbend Road or between 1 and 2 miles south of Secondary Highway 627 on Fleming Road in Parkland County, Alberta. The farm is 313.31 acres comprised of two complete sections of land excepting a small parcel the farmstead is situated on which has an area of approximately 5 acres.

The north west quarter section is comprised entirely of cultivated agricultural land used for cereal crops excepting one oil and gas well lease site located along the northern extents of the property. Signage indicates LM Resources operates the lease site. There is also a high pressure crude oil pipeline right of way that runs east and west across the property adjacent to the northern property boundary through the lease site. Pipeline right of way plan numbers 0224509 and 0124810.

The south west quarter section is comprised of approximately 60% to 70% cultivated agricultural land with the balance of the quarter section comprised of raw undeveloped land surfaced with shrub willow and the 5 acre farmstead. There is one small building located along the south side of the property accessed from Woodbend Road. The building is enclosed in a chain link fence and surrounded by a gravel pad. The building is reportedly owned and operated by Telus and is a telecommunications switching station.

A copy of a site map showing the general location of the subject property is enclosed in Appendix I.

## 2.2 SURROUNDING PROPERTY

The site is bound along the north and east side by cultivated agricultural lands similar to the subject property. Along the south side Woodbend Road followed by mixed agricultural land and raw land binds the site. Fleming Road binds the site along the west side followed by a country residential subdivision.

## 2.3 SUMMARY

Excepting the lease site and accompanying pipeline right of ways our inspection of the subject property and immediate adjacent and adjoining properties has not identified any environmental liabilities that we would consider medium or high risk. The subject property is comprised of cultivated agricultural land and raw undeveloped land and is currently considered low risk.

With respect to the lease site and pipeline right of way the Energy and Utilities Board heavily regulate the oil and gas industry in Alberta. Although the potential exists for this type of operation to have an adverse impact on the environment it has been our experience lease sites and pipeline right of ways pose a low environmental risk to adjoining properties outside the lease or right of way. Leaks and/or spills or releases if and when they occur are usually detected early and remediated immediately. With respect to the lease site itself if or when the lease is terminated the owner/operator is required to complete an environmental assessment process and obtain a reclamation certificate from Alberta Environment ensuring any contamination on the lease has been cleaned up to applicable standards.

### 3.0 HISTORICAL REVIEW

A site history has been accumulated through review of Land Titles Documents and Aerial Photographs.

#### 3.1 LAND TITLE SEARCH

A land title search has been completed with respect to the subject's previously identified legal description. The land title search was completed on July 31, 2006 and is based on information available at the North Alberta Land Registration District. The land title search pertains to the time period 1930 until present (July 31, 2006) and is summarized in below. A copy of the current land title document is included in Appendix II.

**Table 1**  
**NW-25-51-26-W4M**

From	To	Owner
1964	Present	Walter William & Gertrude Minchau
1952	1964	Charles Minchau
1930	1952	Pete Provost

**Table 2**  
**SW-25-51-26-W4M**

From	To	Owner
1954	Present	Walter William & Gertrude Minchau
1952	1954	Charles Minchau
1930	1952	Pete Provost

Land title documents indicate the Minchau Family has held title to the subject property since 1952. Prior to the Minchau family purchasing the property title was held by Mr. Pete Provost. Previous and present titleholders have been identified as individuals and are of no obvious environmental concern.

### 3.2 AERIAL PHOTOGRAPH REVIEW

A review of Aerial Photographs has been completed at The Province of Alberta, Sustainable Resources. Aerial Photographs from 1950, 1962, 1972, 1982, 1995, and 2003 were examined and included in Appendix III.

2003:

In the 2003 aerial photograph the subject property is comprised of cultivated agricultural land and raw undeveloped land relatively unchanged from present day. The lease site is visible along the north property boundary, as is the Telus building along the south side of the site.

1995:

In the 1995 aerial photograph the lease site is not visible and does not appear to be developed at this time. The subject property and immediate adjacent properties appear relatively unchanged from 2003.

1982:

The subject property and all immediate adjacent and adjoining properties appear relatively unchanged from 1995. There is slightly less residential development along the west side of Fleming Road.

1972, 1962, 1950:

The subject property and immediate adjacent and adjoining properties are comprised of cultivated agricultural land or raw undeveloped land relatively unchanged from the 1993 aerial photograph. In the 1950 aerial photograph the Minchau farmstead is not developed.



### 3.3 HISTORICAL SUMMARY

The site history accumulated through review of Land Title Documents and Aerial Photographs indicates the subject property and immediate adjacent properties have been used primarily for agricultural or residential considerations from at least the early 1950's up to present day. The lease site was developed between 1995 and 2003 indicating this is a relatively new development.

The historical review has not identified any environmental liabilities that we would consider medium or high risk. Historical land use of the subject property and immediate adjacent properties is generally considered low risk from an environmental viewpoint.

### 4.0 INTERVIEWS

Information, relative to the site, has been sought from the following governing authorities and individuals;

- Parkland County
- Alberta Energy Utilities Board
- Mr. Michael Minchau

Parkland County has not responded at the time of publication of this report. A copy of their correspondence will be forwarded upon receipt.

The Alberta Energy Utilities Board, in e-mailed correspondence dated June 31, 2006 confirms that there were two test holes drilled along the south property boundary adjacent to Woodbend Road in 1950. Drilling was complete in one day and both test holes abandoned. The EUB report also confirms the existing lease site was drilled in 1985 and went into production in 1999.

An incident report provided by the EUB also confirms there was a pipeline leak in LSD's 2 and 8 however this is not located on the subject property. Two complaints were received regarding H<sub>2</sub>S odors originating from the lease site in October 1999 and April 2006.

Mr. Michael Minchau, son of the current owners Walter and Gertrude Minchau was interviewed via telephone regarding the subject property. Mr. Minchau confirmed that his family has owned the farm since the 1950's and he has grown up on the farm. The farm has always been used to grow cereal crops, hay grain etc. The farm has been leased for the past 20 years. Mr. Minchau is not aware of any significant or outstanding environmental liabilities reference the farm other than the oil and gas lease.

A copy of the above noted EUB correspondence is enclosed in Appendix IV.

## 5.0 FINDINGS

The subject property is comprised of 313.31 acres of mixed agricultural land and raw undeveloped land. The Minchau family has held title to the subject property since 1952 and has utilized the property solely for agricultural considerations.

Excepting the oil & gas lease site and accompanying pipeline right of ways our inspection of the subject property and immediate adjacent and adjoining properties has not identified any environmental liabilities that we would consider medium or high risk.

With respect to lease sites and pipeline right of ways they are facet of the extensive oil and gas industry in Alberta and are commonly encountered throughout the province. Over the past two decades there has been a considerable increase in environmental

awareness in the oil and gas industry and the industry is closely monitored by both the Alberta Energy and Utilities Board and Alberta Environment. Leaks and/or spills or releases if or when they occur are usually detected early and cleaned up immediately by the facility owner/operator.

Although the potential exists for the lease site and pipeline right of way to have an adverse environment impact we are of the opinion as the lease is relatively new, going into production in 1999 it is unlikely the lease has had any significant adverse environmental impact on the subject property. When the lease is terminated the lease holder is required to complete an environmental assessment process and obtain a reclamation certificate from Alberta Environment ensuring any contamination on the lease has been cleaned up to applicable standards.

In view of this we are not of the opinion the lease site and pipeline right of way poses a significant environmental liability to the balance of the subject property.

Solicitation of municipal and provincial regulators have not identified any significant current or historical environmental liability reference the subject property that we would consider medium or high risk. The subject property is considered low risk based on the correspondence received from municipal and provincial regulators.

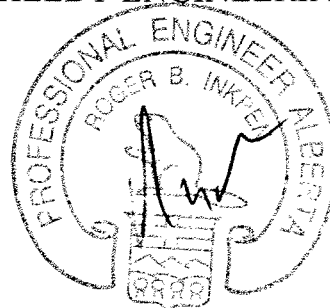
## **6.0 RECOMMENDATIONS**

In closing, this Phase I ESA has not identified any significant actual or potential on-site or off-site environmental concern reference the subject property that would be considered medium or high risk. Overall the subject property is considered low risk and no requirement for additional environmental initiatives or site specific remediation has been identified.

## 7.0 CLOSURE

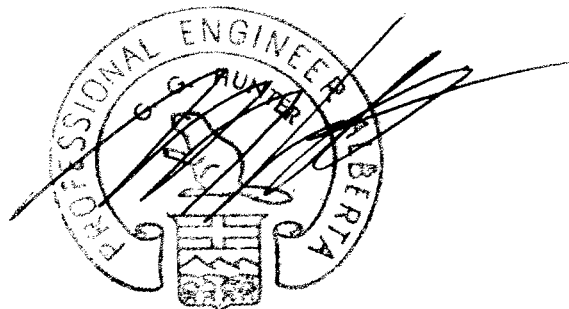
All services provided by Shelby Engineering Ltd. are subject to our Standard Terms and Conditions, which are attached as Appendix V.

Respectfully Submitted,  
SHELBY ENGINEERING LTD.



Prepared By

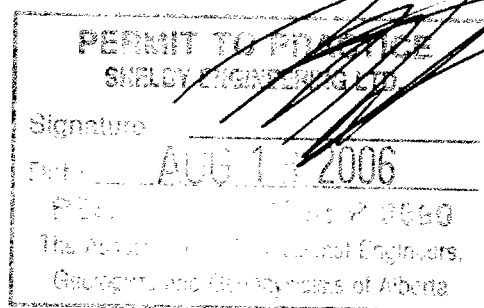
Roger B. Inkpen, P.Eng.



Reviewed By

Gordon G. Hunter, M.Sc., P. Eng.

GGH:RI/epl/Encl.  
File No. 3-11,813  
August 2006



## APPENDIX I



## APPENDIX II



ALBERTA REGISTRIES  
HISTORICAL LAND TITLE CERTIFICATE  
CURRENT TITLE WITH HISTORICAL DATA

S		
LINC	SHORT LEGAL	TITLE NUMBER
0028 300 416	4;26;51;25;NW	002 033 557

LEGAL DESCRIPTION

MERIDIAN 4 RANGE 26 TOWNSHIP 51  
SECTION 25  
QUARTER NORTH WEST  
CONTAINING 64.7 HECTARES ( 160 ACRES) MORE OR LESS  
EXCEPTING THEREOUT:

	HECTARES	(ACRES)	MORE OR LESS
A) PLAN 0020334 - ROAD	0.402	0.99	

EXCEPTING THEREOUT ALL MINES AND MINERALS

ESTATE: FEE SIMPLE

MUNICIPALITY: PARKLAND COUNTY

REFERENCE NUMBER: 244X209

REGISTERED OWNER(S)				
REGISTRATION	DATE(DMY)	DOCUMENT TYPE	VALUE	CONSIDERATION
002 033 557	08/02/2000	ROAD PLAN		

OWNERS

WALTER WILLIAM MINCHAU (FARMER)

AND  
GERTRUDE MINCHAU  
BOTH OF:  
R.R. 5  
EDMONTON  
ALBERTA  
AS JOINT TENANTS

( CONTINUED )





ALBERTA REGISTRIES  
HISTORICAL LAND TITLE CERTIFICATE  
CURRENT TITLE WITH HISTORICAL DATA

S  
LINC                      SHORT LEGAL                      TITLE NUMBER  
0023 560 742            4;26;51;25;SW            922 279 010 +1

LEGAL DESCRIPTION

THE SOUTH WEST QUARTER OF SECTION TWENTY FIVE (25)  
TOWNSHIP FIFTY ONE (51)  
RANGE TWENTY SIX (26)  
WEST OF THE FOURTH MERIDIAN  
CONTAINING 64.7 HECTARES (160 ACRES) MORE OR LESS  
EXCEPTING THEREOUT:                      HECTARES (ACRES) MORE OR LESS  
A) PLAN 7820407    - ROAD                      0.417            1.03  
B) PLAN 9222688    - DESCRIPTIVE            1.89            4.67  
EXCEPTING THEREOUT ALL MINES AND MINERALS

ESTATE: FEE SIMPLE

MUNICIPALITY: PARKLAND COUNTY

REFERENCE NUMBER: 92T148

-----  
REGISTERED OWNER(S)  
REGISTRATION      DATE(DMY) DOCUMENT TYPE      VALUE                      CONSIDERATION  
-----  
922 279 010      15/09/1992 DESCRIPTIVE PLAN

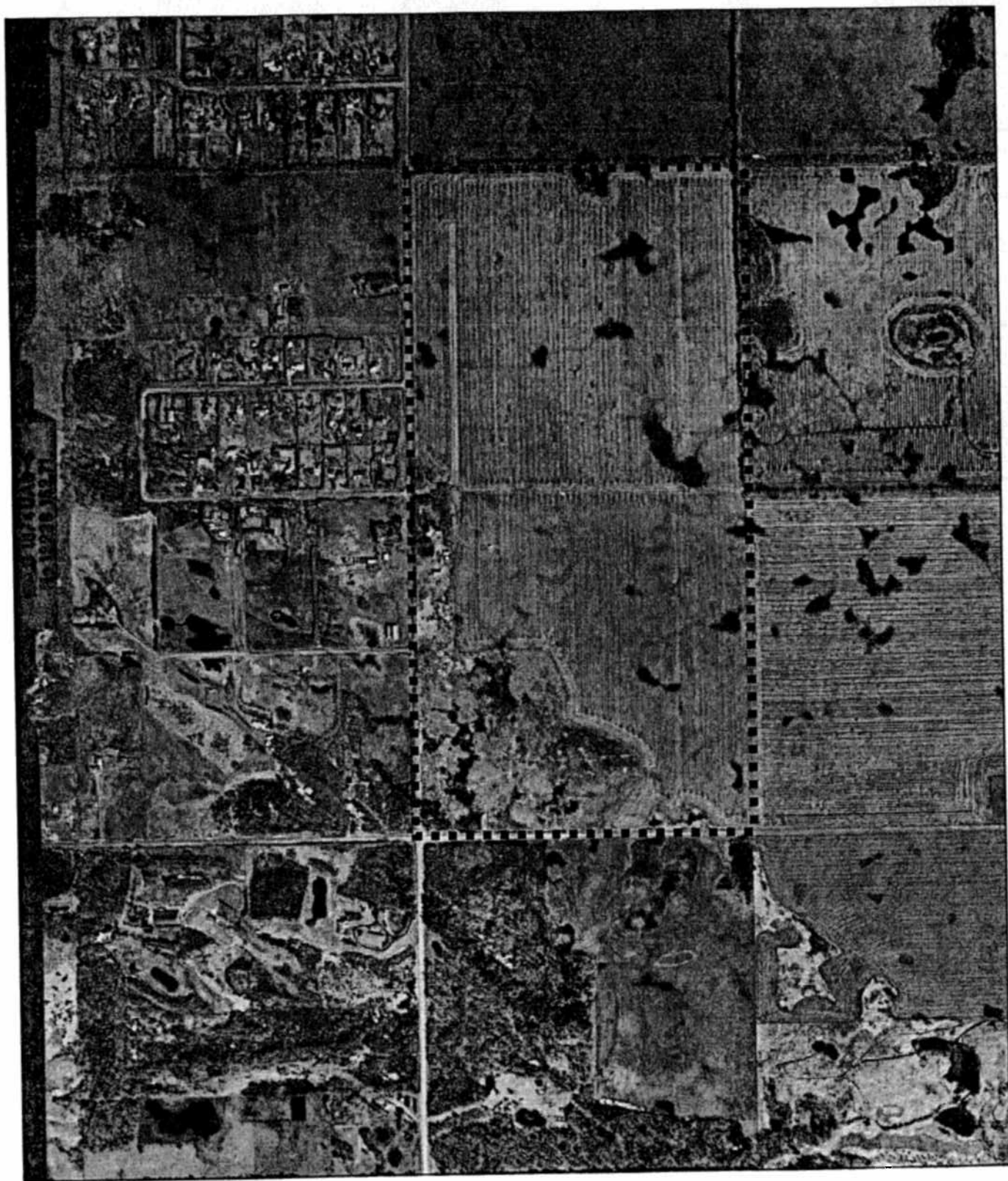
OWNERS

WALTER WILLIAM MINCHAU (FARMER)

AND  
GERTRUDE MINCHAU  
BOTH OF:  
EDMONTON  
ALBERTA  
AS JOINT TENANTS

( CONTINUED )

### **APPENDIX III**



**2003 Air Photo  
Minchau Farm**

**Air Photo Courtesy of:**

*Air Photo Services, Alberta Sustainable Resources  
9920 - 108 Street, Edmonton, Alberta T5K 2M4  
Tel (780) 427-3520 Fax (780) 422-9683*



**SHELBY  
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**1995 Air Photo**

**Minchau Farm**

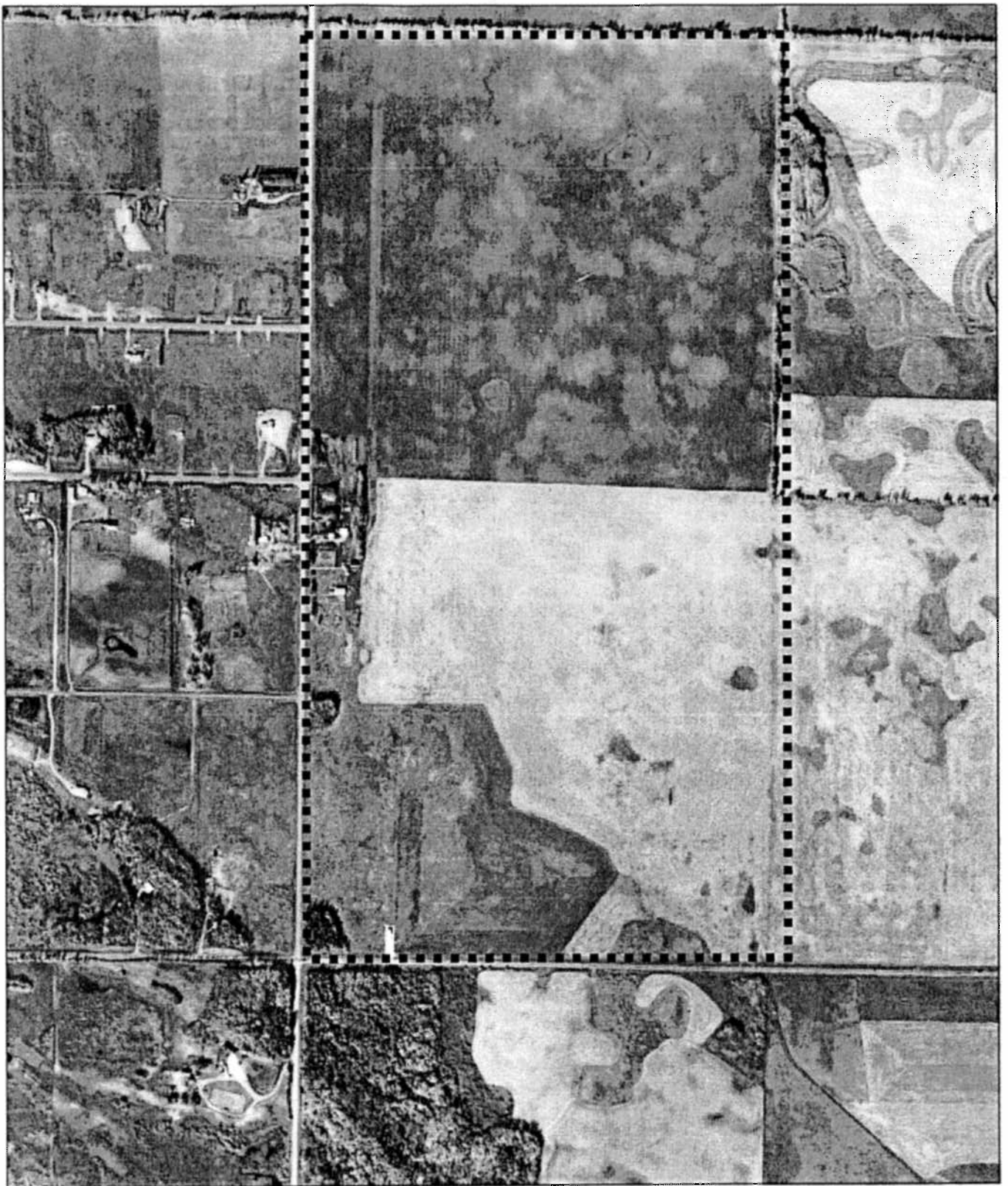
**Air Photo Courtesy of:**

*Air Photo Services, Alberta Sustainable Resources  
9920 - 108 Street, Edmonton, Alberta T5K 2M4  
Tel (780) 427-3520 Fax (780) 422-9683*



**SHELBY**  
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**LTD**





**1982 Air Photo**

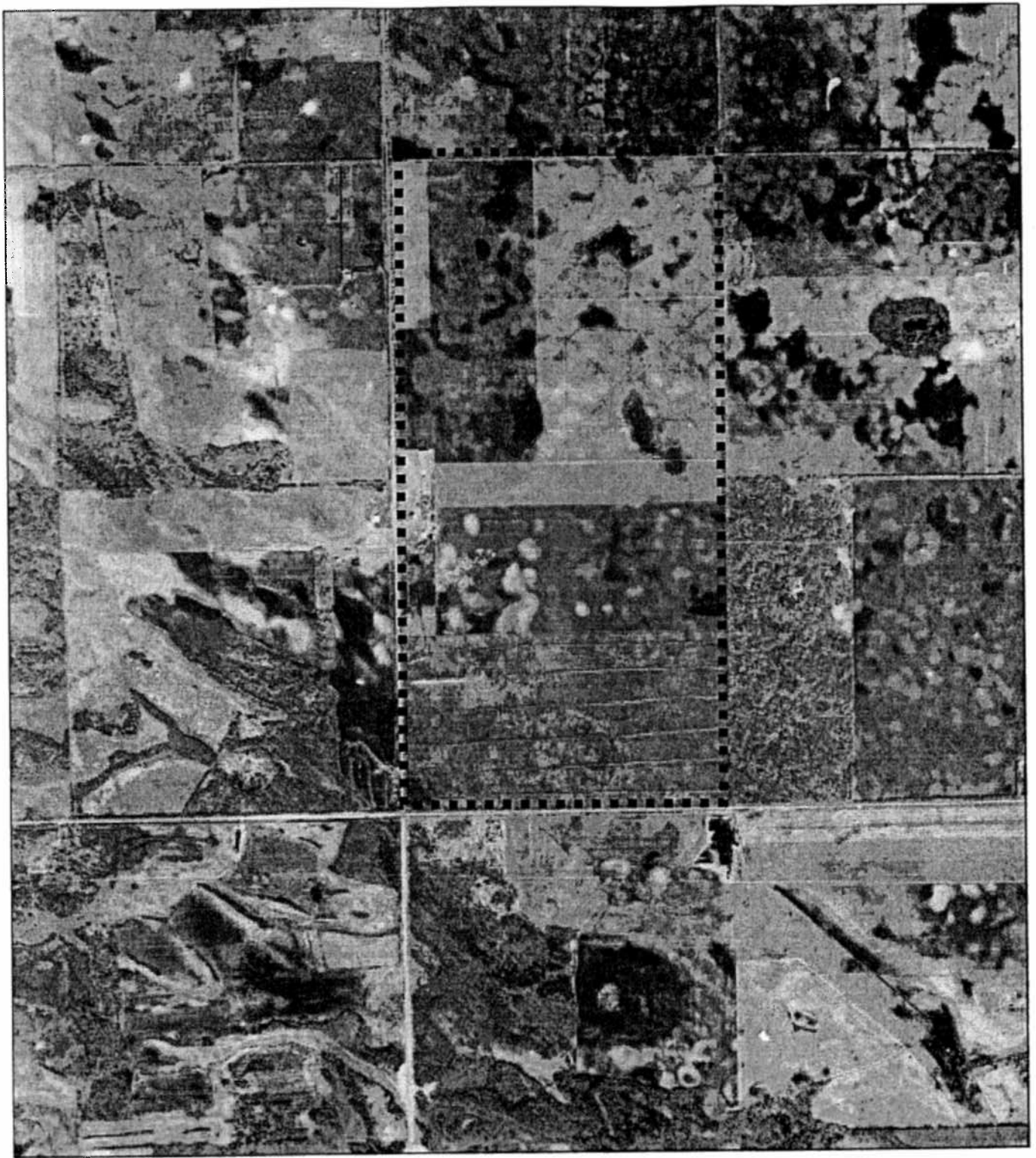
**Minchau Farm**

**Air Photo Courtesy of:**

*Air Photo Services, Alberta Sustainable Resources  
9920 - 108 Street, Edmonton, Alberta T5K 2M4  
Tel (780) 427-3520 Fax (780) 422-9683*



**SHELBY**  
**ENGINEERING**  
**LTD**



**1972 Air Photo**

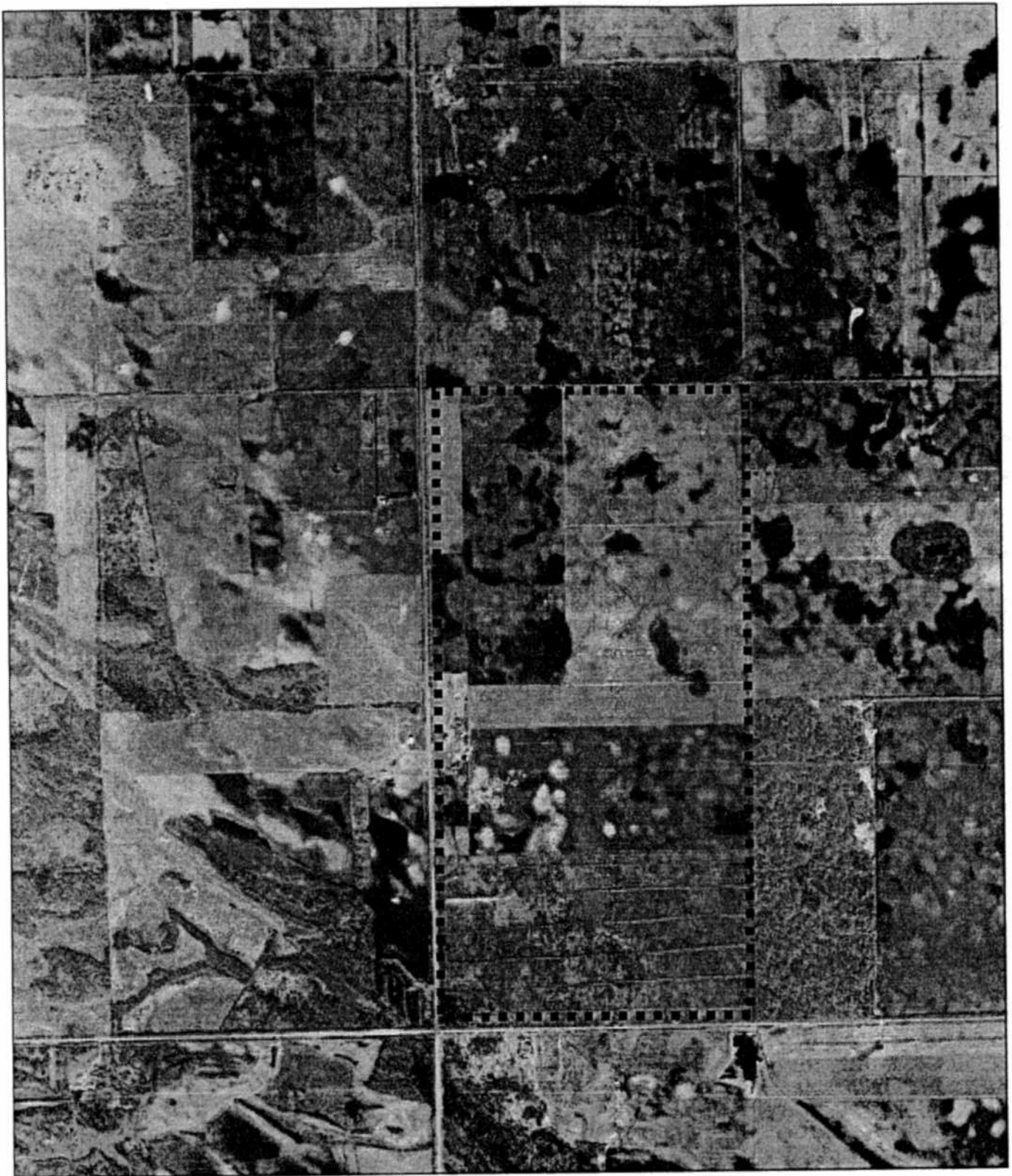
**Minchau Farm**

**Air Photo Courtesy of:**

*Air Photo Services, Alberta Sustainable Resources  
9920 - 108 Street, Edmonton, Alberta T5K 2M4  
Tel (780) 427-3520 Fax (780) 422-9683*



**SHELBY**  
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**1962 Air Photo**

**Minchau Farm**

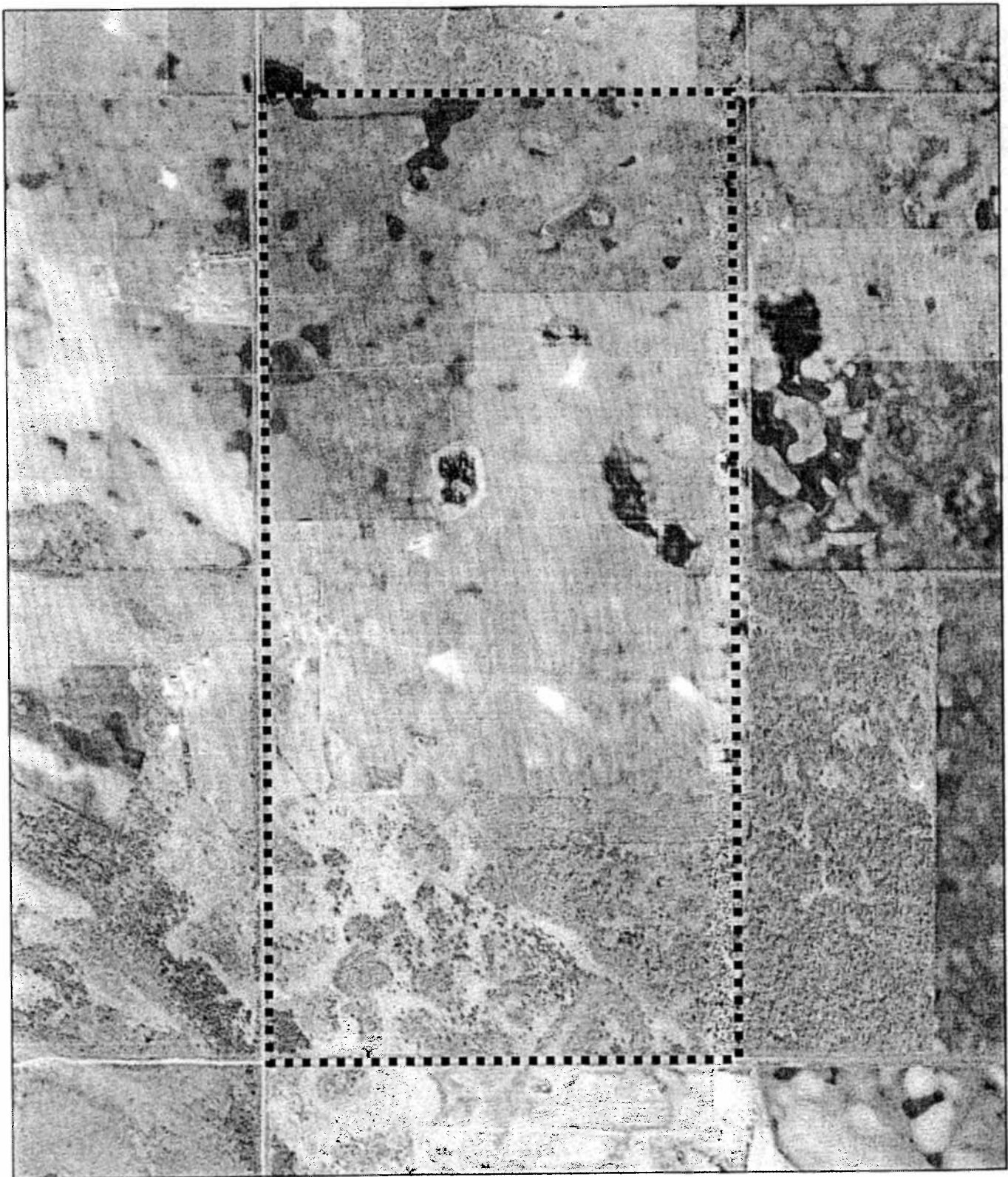
**Air Photo Courtesy of:**

*Air Photo Services, Alberta Sustainable Resources  
9920 - 108 Street, Edmonton, Alberta T5K 2M4  
Tel (780) 427-3520 Fax (780) 422-9683*



**SHELBY**  
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**LTD**





**1950 Air Photo**

**Minchau Farm**

**Air Photo Courtesy of:**

*Air Photo Services, Alberta Sustainable Resources  
9920 - 108 Street, Edmonton, Alberta T5K 2M4  
Tel (780) 427-3520 Fax (780) 422-9683*



**SHELBY**  
**ENGINEERING**  
**LTD**



## APPENDIX IV

EUB CBID: cb0jg

Client Name: Melody Crozier-Smith

Description: First Page Data

\*\*\*\*\*

050731.103808.Melody Crozier-Smith.First Page Data

Page: 1 Client: Melody Crozier-Smith  
Description: First Page Data  
Well: S0/01-25-051-26W4/0

\*\*\*\*\*

DDN0604-01 ALBERTA ENERGY AND UTILITIES BOARD 31 JUL 2006  
DATA DISSEMINATION - GENERAL QUERY

WELL ID : S0/01-25-051-26W4/0 IMP 53 CAMAO TH 1-25-51-26  
LICENSE NO. : J0001934J LICENSEE: 00070 IMPERIAL OIL R  
LICENSE DATE: 28 AUG 1950 AGENT :  
CONTRACTOR CODE: RIG NO :

----- BASIC DRILLHOLE DATA -----  
FIELD : 551 LEDUC-WOODBEND ----- DEPTHS (M) -----

POOL :		TOTAL:	244.00	SS:	450.00
OS AREA :		PB :		SS:	
DEPOSIT :		TVD :		SS:	
LAHEE CLASS:	12 TEST HOLE	CONF :	(NC)		
WELL STATUS:	00 02 00 00				
	ABD				
STATUS DATE:	29 AUG 1950				

--CO-OR--	---LONGITUDE---	---LATITUDE---	--ELEV (M)---
S 1619.3	ACT: 113.689255	ACT: 53.424903	GRD: 691.00
W .1	THE:	KB :	694.00
		CF :	

BOTTOM HOLE CO-ORDINATES = SURFACE CO-ORDINATES

----- DATES -----  
 SPUD : 28 AUG 1950  
 FIN-DRILL: 28 AUG 1950  
 RIG REL. : 28 AUG 1950  
 ON PROD. :  
 ON INJ. :

\*\*\*\*\*

Page: 2 Client: Melody Crozier-Smith  
Description: First Page Data  
Well: W0/04-25-051-26W4/0

\*\*\*\*\*

DDN0604-01 ALBERTA ENERGY AND UTILITIES BOARD 31 JUL 2006  
DATA DISSEMINATION - GENERAL QUERY

WELL ID : W0/04-25-051-26W4/0 IMP 30 ACHESON TH 4-25-51-26  
LICENSE NO. : 0001700L LICENSEE: 00070 IMPERIAL OIL R  
LICENSE DATE: 5 JUL 1950 AGENT :  
CONTRACTOR CODE: RIG NO :

----- BASIC DRILLHOLE DATA -----

FIELD : 551 LEDUC-WOODBEND DEPTHS (M) -----  
POOL : TOTAL: 244.00 SS: 454.00  
OS AREA : PB : SS:  
DEPOSIT : TVD : SS:  
LAHEE CLASS: 12 TEST HOLE CONF : (NC)  
WELL STATUS: 00 02 00 00

STATUS DATE: 6 JUL 1950 ABD

--CO-OR-- ---LONGITUDE--- ---LATITUDE--- --ELEV (M)---  
N 4.4 ACT: 113.713629 ACT: 53.425123 GRD: 698.00 ON PROD. :  
W 1619.3 THE: KB : 698.00 ON INJ. :  
CF :

BOTTOM HOLE CO-ORDINATES = SURFACE CO-ORDINATES

\*\*\*\*\*

Page: 3      Client: Melody Crozier-Smith  
Description: First Page Data  
Well: 00/14-25-051-26W4/0  
\*\*\*\*\*

DDN0604-01

ALBERTA ENERGY AND UTILITIES BOARD  
DATA DISSEMINATION - GENERAL QUERY

31 JUL 2006

WELL ID : 00/14-25-051-26W4/0  
LICENSE NO. : 0112526  
LICENSE DATE: 16 JAN 1985  
CONTRACTOR CODE: 0Y07

CORVAIR ET AL LEDUC 14-25-51-26  
LICENSEE: 0T490 WESTHILL RESOU  
AGENT :  
RIG NO : 0002

## ----- BASIC DRILLHOLE DATA -----

FIELD : 551 LEDUC-WOODBEND  
POOL :  
OS AREA :  
DEPOSIT :  
LAHEE CLASS: 05 NEW POOL WILDCAT  
WELL STATUS: 00 03 00 00

----- DEPTHS (M) -----  
TOTAL: 1350.00 SS: -651.30  
PB : SS:  
TVD : SS:  
CONF : (NC)

STATUS DATE: 16 MAY 1985  
ABZONE

----- DATES -----  
SPUD : 20 JAN 1985  
FIN-DRILL: 28 JAN 1985  
RIG REL. : 2 FEB 1985  
ON PROD. :  
ON INJ. :

--CO-OR-- ---LONGITUDE--- ---LATITUDE--- --ELEV (M)---  
S 53.0 ACT: 113.706853 ACT: 53.439035 GRD: 695.00  
E 440.0 THE: THE: KB : 698.70  
CF :

BOTTOM HOLE CO-ORDINATES = SURFACE CO-ORDINATES

\*\*\*\*\*

Page: 4 Client: Melody Crozier-Smith  
Description: First Page Data  
Well: 00/14-25-051-26W4/2

\*\*\*\*\*

DDN0604-01 ALBERTA ENERGY AND UTILITIES BOARD 31 JUL 2006  
DATA DISSEMINATION - GENERAL QUERY

WELL ID : 00/14-25-051-26W4/2 CORVAIR ET AL LEDUC 14-25-51-26  
LICENSE NO. : 0112526 LICENSEE: 0T490 WESTHILL RESOU  
LICENSE DATE: 16 JAN 1985 AGENT :  
CONTRACTOR CODE: 0Y07 RIG NO : 0002

----- BASIC DRILLHOLE DATA -----  
FIELD : 551 LEDUC-WOODBEND  
POOL : 244127 BLAIRMORE A2A  
OS AREA :  
DEPOSIT :  
LAHEE CLASS: 05 NEW POOL WILDCAT  
WELL STATUS: 02 10 00 00  
----- DEPTHS (M) -----  
TOTAL: 1350.00 SS: -651.30  
PB : SS:  
TVD : SS:  
CONF : (NC)



GAS FLOW  
STATUS DATE: 27 SEP 1999

----- DATES -----  
SPUD : 20 JAN 1985  
FIN-DRILL: 28 JAN 1985  
RIG REL. : 2 FEB 1985  
ON PROD. : 27 SEP 1999  
ON INJ. :

--CO-OR-- ---LONGITUDE--- ---LATITUDE--- --ELEV (M)---  
S 53.0 ACT: 113.706853 ACT: 53.439035 GRD: 695.00  
E 440.0 THE: KB : 698.70  
CF :

BOTTOM HOLE CO-ORDINATES = SURFACE CO-ORDINATES

\*\*\*\*\*



Date Printed: 04 Jul 2006

Incident Number 19850779  
 Incident Type Release  
 Location 08-25-051-26W4  
 Licence Number 7317  
 Licence Type Pipeline Licence  
 Incident Date 20 Jun 1985  
 Incident Notification Date 20 Jun 1985  
 Incident Complete Date 27 Jan 1994  
 Source Natural Gas Pipeline  
 Cause Conversion Conversion  
 Failure Type Damage By Others  
 Injury Count 0  
 Fatality Count 0  
 Field Centre St. Albert  
 Jurisdiction Crown Public Lands  
 Strike Area LEDUC-WB  
 Licensee 0021 Northwestern Utilities Limited  
 Pipeline Lic Segment ID 25537  
 Pipeline Lic Line No 29  
 Damage Type Leak  
 Test Failure No  
 Pipeline OD (mm) 60.3  
 Pipe Grade  
 Wall Thickness (mm)

Substance Released Gas Production (Marketable)  
 Volume Released 0.1 103m3  
 Volume Recovered 0.0 103m3

Substance Released  
 Volume Released  
 Volume Recovered

Substance Released  
 Volume Released  
 Volume Recovered

Substance Released  
 Volume Released  
 Volume Recovered

Release Offsite No  
 Environment Affected  
 Sensitive Area No  
 Wildlife/Livestock Affected Conversion from ENV system  
 Public Affected Conversion from ENV system  
 Area Affected Conversion from ENV system  
 Public Evacuated Count  
 Release Cleanup Date 27 Jan 1994

Incident Number 19761160  
 Incident Type Release  
 Location 02-27-051-26W4  
 Licence Number 16644  
 Licence Type Pipeline Licence  
 Incident Date 04 Sep 1976  
 Incident Notification Date 04 Sep 1976  
 Incident Complete Date 01 Oct 1978  
 Source Multiphase Pipeline  
 Cause Conversion Conversion  
 Failure Type Operator Error  
 Injury Count 0  
 Fatality Count 0  
 Field Centre St. Albert  
 Jurisdiction Crown Public Lands  
 Strike Area LEDUC-WB  
 Licensee 0007 Imperial Oil Resources Limited  
 Pipeline Lic Segment ID 79410  
 Pipeline Lic Line No 1  
 Damage Type Leak  
 Test Failure No  
 Pipeline OD (mm) 0  
 Pipe Grade  
 Wall Thickness (mm)

Substance Released Crude Oil  
 Volume Released 2.0 m3  
 Volume Recovered 2.0 m3

Substance Released  
 Volume Released  
 Volume Recovered

Substance Released  
 Volume Released  
 Volume Recovered

Substance Released  
 Volume Released  
 Volume Recovered

Release Offsite Yes  
 Environment Affected Air/Land  
 Sensitive Area No  
 Wildlife/Livestock Affected Conversion from ENV system  
 Public Affected Conversion from ENV system  
 Area Affected Conversion from ENV system  
 Public Evacuated Count  
 Release Cleanup Date 01 Oct 1978

Incident Number 20013234  
Incident Type Complaint  
Location 16-24-051-26W4  
Licence Number  
Licence Type  
Incident Date 17 Dec 2001  
Incident Notification Date 17 Dec 2001  
Incident Complete Date 20 Dec 2001  
Source Crude Oil Group Battery  
Cause Conversion Conversion  
Field Centre St. Albert  
Strike Area LEDUC-WB  
Source In Compliance  
Licensee 0007 Imperial Oil Resources Limited

Concern Reported Miscellaneous Miscellaneous  
Concern Reported  
Concern Reported  
Concern Reported  
Concern Reported

Incident Number 19992223  
Incident Type Complaint  
Location 14-25-051-26W4  
Licence Number 0112526  
Licence Type Well Licence  
Incident Date 11 Oct 1999  
Incident Notification Date 11 Oct 1999  
Incident Complete Date 12 Oct 1999  
Source Gas Well  
Cause Conversion Conversion  
Field Centre St. Albert  
Strike Area LEDUC-WB  
Source In Compliance  
Licensee 0T49 Westhill Resources Limited

Concern Reported Odours H2S  
Concern Reported  
Concern Reported  
Concern Reported  
Concern Reported

Incident Number 20002468  
Incident Type Complaint  
Location 14-25-051-26W4  
Licence Number 0112526  
Licence Type Well Licence  
Incident Date 13 Oct 2000  
Incident Notification Date 13 Oct 2000  
Incident Complete Date 13 Oct 2000  
Source Crude Oil Group Battery  
Cause Conversion Conversion  
Field Centre St. Albert  
Strike Area LEDUC-WB  
Source In Compliance  
Licensee 0T49 Westhill Resources Limited

Concern Reported Odours H2S  
Concern Reported  
Concern Reported  
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Concern Reported

Incident Number 20061064  
Incident Type Complaint  
Location 14-25-051-26W4  
Licence Number 11872  
Licence Type Facility Licence  
Incident Date 24 Apr 2006  
Incident Notification Date 26 Apr 2006  
Incident Complete Date 01 May 2006  
Source Gas Single Battery  
Cause Equipment Failure Malfunction  
Field Centre St. Albert  
Strike Area LEDUC-WB  
Source In Compliance No  
Licensee 0T49 Westhill Resources Limited

Concern Reported Odours H2S  
Concern Reported Health Human  
Concern Reported  
Concern Reported  
Concern Reported

## APPENDIX V

**STANDARD TERMS AND CONDITIONS FOR THE PROVISION OF SERVICES  
BY SHELBY ENGINEERING LTD.**

1. "The services ("the Services") performed for the client (the "Client") by Shelby Engineering Ltd. ("Shelby") described in the report to which these Standard Terms and Conditions are attached (the "Report") have been conducted in a manner consistent with the level of skill ordinarily exercised by members of the engineering profession currently practicing in the jurisdiction in which the Services have been provided."
2. In consideration of the provision of the Services, the Client agrees to the limitation of liability provisions herein contained, both on its own behalf, and as agent on behalf of its employees and principals.
3. The total amount of all claims the Client may have against Shelby with respect to the Services, including, without limitation, claims in tort or contract, shall be strictly limited to the amount of the fee charged to the Client by Shelby for the Services. Shelby shall not be liable for loss, injury or damage caused by delays beyond Shelby's control, or for any indirect, economic or consequential loss, injury or damage incurred by the Client, including, without limitation, claims for loss of profits, loss of contracts, loss of use, loss of production or business opportunity, loss of contracts or continued overhead expense. No claim shall be brought by the Client against Shelby more than two (2) years after completion of the Services or termination of the agreement to provide the Services.
4. The Client shall have no right to set off against any amounts owed to Shelby with respect to the Services.
5. The Client agrees that Shelby's employees and principals shall have no personal liability with respect to the Services and the Client shall make no claim or bring any proceedings of any kind whatsoever whether in contract, tort or any other cause of action in law or equity, against Shelby's employees and principals in their personal capacity.
6. The Client acknowledges that the Services entail an investigation which by its nature involves the risk that certain conditions between points investigated will not be detected, and that certain other conditions may change with time after provision of the written report of the Services. The Client acknowledges and accepts such risk and is aware that the Report can only provide for the conditions at the investigated points at the time of investigation. Extrapolation between the investigated points is at the Client's risk. If the Client requires additional or special investigations outside the scope of the Report, the Client must request such additional investigations from Shelby.
7. The Report has been prepared for a specific site and in light of the specific purposes communicated to Shelby by the Client. Shelby accepts no responsibility for the findings contained in the Report if applied to a different site, or if there is a material change in the purposes communicated to Shelby by the Client. The information and opinions described in the Report are provided solely for the benefit of the Client. **NO OTHER PARTY MAY USE OR RELY UPON THE REPORT OR ANY PORTION THEREOF WITHOUT THE WRITTEN CONSENT OF SHELBY.** The Client shall maintain confidentiality of the Report and ensure that the Report is not distributed to third parties. The Client hereby agrees to indemnify Shelby for any claims brought against Shelby by third parties and arising out of the Client's failure to maintain the confidentiality required under this paragraph 7.
8. Except as stipulated in the Report, Shelby has not been retained to address, investigate or consider, and has not addressed, investigated or considered environmental or regulatory issues with respect to the site on which the Services have been performed. Notwithstanding the foregoing, Shelby may be required to disclose to regulatory bodies certain hazardous conditions discovered through provision of the Services, and the Client shall not make any claim against Shelby for such disclosure.