

**NOTICE OF APPLICATION  
NORTH AMERICAN OIL SANDS CORPORATION  
KAI KOS DEHSEH IN SITU OIL SANDS PROJECT  
ATHABACSCA OIL SANDS AREA**

**ENERGY RESOURCES CONSERVATION BOARD  
APPLICATION 1523635**

**ALBERTA ENVIRONMENT  
ENVIRONMENTAL PROTECTION AND ENHANCEMENT ACT  
APPLICATION 001-241311  
AND ENVIRONMENTAL IMPACT ASSESSMENT REPORT  
WATER ACT FILE 00239880**

**Take Notice** that North American Oil Sands Corporation (North American) — now Statoil Hydro Canada Ltd. (by way of amalgamation) — has applied to the Energy Resources Conservation Board (ERCB) and Alberta Environment (AENV) for approval to construct and operate the Kai Kos Dehseh In Situ Oil Sands Project.

The proposed project is located in Townships 76 to 83, Ranges 8 to 13, West of the 4th Meridian within the Rural Municipality of Wood Buffalo and Lakeland County. The project will be developed in 10 hubs, which are situated in four development areas — Leismer, Corner, Thornbury and Hangingstone.

The proposed project will be based on Steam Assisted Gravity Drainage (SAGD) thermal in situ technology, and will be designed to produce a total of 35,000 cubic metres per day ( $m^3/d$ ) (220,000 barrels per day) of bitumen from the four development areas. Each of the 10 hubs will include:

- the drilling of multiple horizontal well pairs from pads for thermal production, associated injection and production pipelines, and access roads;
- a plant site with steam generation, water treatment, water recycle, sulphur recovery, bitumen and product handling, fuel gas and bitumen pipelines, storm water storage and reclamation material storage;
- the drilling of non-saline and saline makeup water wells for industrial use and non-saline water wells for domestic purposes; and
- the drilling of waste water disposal wells.

### **Nature of the Applications**

In support of the proposed project, North American has prepared and submitted the following:

- Application 1523635 to the ERCB under Section 10 of the *Oil Sands Conservation Act* to authorize the construction and operation of three hubs within the overall proposed Kai Kos Dehseh Project. North American has also prepared and submitted an Environmental Impact Assessment (EIA) report to the Director, Environmental Assessment, Northern Region. The EIA report forms part of the application to the ERCB.
- Application 001-241311 to AENV under the *Environmental Protection and Enhancement Act* (EPEA) for construction, operation, and reclamation of a portion of the proposed Kai Kos Dehseh Project. The EIA report for the entire project has also been filed. As the Kai Kos Dehseh Project proceeds, applications for the remaining hubs will be submitted.
- File 00239880 to AENV under Sections 37(1) and 50(1) of the *Water Act* (WA) for the diversion and use of groundwater (2 503 900 cubic metres per year from the Grand Rapids Formation and 357 700 cubic metres per year from the Clearwater A Formation) and for the diversion of plant site surface runoff for use as make-up water. One groundwater well will be located on 11-17-082-08W4M; the remaining wells will be sited within the oil sands leases held by North American.

### **Additional Information**

To obtain additional information or a copy of the applications and the EIA report contact the applicant

Attention: Craig Popoff, P.Eng.  
Director, Regulatory Affairs  
North American Oil Sands Corporation  
Suite 900, 635 – 8 Avenue SW  
Calgary, Alberta T2P 3M3  
Telephone: 403-269-0437  
Fax: 403-234-0103

E-mail: [crai@statoilhydro.com](mailto:crai@statoilhydro.com)

Copies of the applications and the EIA report are available for viewing at the following locations:

Energy Resources Conservation Board Information Services Main Floor, 640 5 Avenue SW Calgary, Alberta T2P 3G4	Energy Resources Conservation Board 2nd Floor, Provincial Building 9915 Franklin Avenue Fort McMurray, Alberta T9H 2K4
---	--

Alberta Environment, Northern Region Register of Environmental Assessment Information	Anzac Municipal Office 107 4 Christina Drive Anzac, Alberta T0P 1J0
---	---

111, 4999 98 Avenue  
Edmonton, Alberta T6B  
2X3

Lac La Biche Stuart MacPherson Public Library 10307 100 Street Lac La Biche, Alberta T0A 2C0	Lac La Biche Chamber of Commerce 10307 100 Street Lac La Biche, Alberta T0A 2C0
---	---

>

Fort McMurray Public Library 9907 Franklin Avenue Fort McMurray, AB T9H 2K4	Fort McMurray Chamber of Commerce 304 9612 Franklin Avenue Fort McMurray, Alberta T9H 2J9
---	--

For information regarding ERCB procedures contact

Laura Hickman  
Applications Branch, Resources Applications  
Telephone: 403-297-6174  
Fax: 403-297-2474  
Email: [laura.hickman@ercb.ca](mailto:laura.hickman@ercb.ca)

### **Filing a Statement of Concern to AENV**

Under Section 73 of EPEA and Section 109 of the WA, any person who is directly affected by the EPEA Application 001-241311 or the WA File 00239880 may submit a written statement of concern to

Director, Northern Region  
Alberta Environment  
AENV Regulatory Approvals Centre  
9th Floor, Oxbridge Place  
9820 106 Street  
Edmonton, Alberta T5K 2J6  
Telephone: 780-427-6311  
Fax: 780-422-0154

Statements of concern under EPEA must be submitted by **Wednesday, July 9, 2008**. Failure to file a statement of concern may affect the right to file a Notice of Appeal with the Environmental Appeal Board. Please quote Application 001-241311 (EPEA), or File 00239880 (WA) when submitting a statement of concern.

### **Filing a Written Submission to the ERCB**

A submission to the ERCB regarding Application 1523635 must be submitted on or before **Wednesday, July 9, 2008**. The ERCB will evaluate the submissions received to determine if any of the submitters may be directly and adversely affected by the decision of the ERCB on this application. Send one copy of your submission to the applicant at the name and address above, and seven copies of the submission to

Laura Hickman  
Energy Resources Conservation Board  
640 5 Avenue SW  
Calgary, Alberta T2P 3G4

Any submission filed must contain the following:

(a) a concise statement indicating

- (i) the manner in which the intervener's rights may be directly and adversely affected by a decision of the Board on the application,
- (ii) the nature and scope of the intervener's intended participation,
- (iii) the disposition of the application that the intervener advocates, if any,
- (iv) the facts the intervener proposes to show in evidence,
- (v) the reasons why the intervener believes the Board should decide in the manner that the intervener advocates, and
- (vi) the intervener's efforts, if any, to resolve issues associated with the application directly with the applicant;

(b) the name, address in Alberta, telephone number, fax number and, if available, e-mail address of the intervener;

(c) if the intervener is represented by a representative, the name, address in Alberta, telephone number, fax number and, if available, e-mail address of the representative; and

(d) if the intervener is an unincorporated organization, the nature of the intervener's membership.

If you have an interest in this matter, you are required to make a submission with respect to this application even if you have previously filed a submission with the Board or with North American Oil Sands Corporation on this application.

Submissions relating exclusively to compensation for land usage are not dealt with by the ERCB but may be referred to the Alberta Surface Rights Board.

In accordance with Section 13 of the *Energy Resources Conservation Board Rules of Practice*, all documents filed in respect of this application must be placed on the public record unless otherwise ordered by the Board, subject to the *Freedom of Information and Protection of Privacy Act*.

This Notice of Application is being distributed to advise interested persons that the applications are available, and that the ERCB, AENV, and other government departments are now undertaking review of the applications.

Issued at Calgary, Alberta, on March 19, 2008.

ENERGY RESOURCES CONSERVATION BOARD  
Patricia Johnston, Q.C., General Counsel