NOTICE OF APPLICATIONS CENOVUS ENERGY INC. PELICAN LAKE GRAND RAPIDS PROJECT ATHABASCA OIL SANDS AREA

ENERGY RESOURCES CONSERVATION BOARD APPLICATION NO. 1712169

ALBERTA ENVIRONMENT AND WATER
ENVIRONMENTAL PROTECTION AND ENHANCEMENT ACT
APPLICATION NO. 001-293251
WATER ACT FILE NO. 00303376
ENVIRONMENTAL IMPACT ASSESSMENT

The Energy Resources Conservation Board (ERCB/Board) has received Application No. 1712169 and Alberta Environment and Water (AEW) has received *Environmental Protection and Enhancement Act (EPEA)* Application No. 001-293251 and *Water Act* File No. 00303376 from Cenovus Energy Inc. (Cenovus) for approval of the proposed Pelican Lake Grand Rapids Project (the Project). This notice is to advise interested parties that the applications are available for viewing and that the ERCB, AEW, and other government departments are now undertaking a review of the applications and associated environmental impact assessment (EIA).

Description of the Project

Cenovus has applied to construct, operate, and reclaim an in situ oil sands project about 300 kilometres (km) northeast of Edmonton, Alberta, and about 30 km northeast of the hamlet of Wabasca, Alberta, in Townships 81 to 83, Ranges 20 to 23, West of the 4th Meridian. About 3700 well pairs drilled from 200 well pads would be required over the proposed Project's expected 40-year operation. The Project's total bitumen production capacity would be 28 600 cubic metres per day (m3/d) (180 000 barrels per day [bbl/d]) and may include the co-injection of solvent with steam.

The proposed Project would use steam-assisted gravity drainage (SAGD) to recover bitumen in three phases, each with a production capacity of 9533 m3/d (60 000 bbl/d). Construction for Phase A of the Project would begin in 2014, with Phase B commencing in 2017 and Phase C commencing in 2020. The proposed Project would include a central processing facility, thermal injection wells, production wells, disposal wells, utilities, and associated infrastructure.

In support of the Project, Cenovus has prepared and submitted the following:

- Application No. 1712169 to the ERCB, pursuant to Section 10 of the *Oil Sands Conservation Act*, to construct and operate the Project.
- Application No. 001-293251 to AEW under the *EPEA*, for the construction, operation, and reclamation of the Project.
- An application (File No. 00303376) to AEW, pursuant to the Water Act, to divert a maximum of 511 000 m3 of groundwater per year from wells that would be drilled for industrial purposes (i.e., utility and make-up). These wells would be drilled in Section 28-82-22-W4M and the southeast quarter of Section 32-82-22-W4M. The production zones of these wells would be from 175 m to 250 m below ground surface.
- An EIA report associated with the above applications. The EIA forms part of the application to the ERCB.

To obtain a copy of the applications, contact

Cenovus Energy Inc. 421 – 7 Avenue SW PO Box 2850 Calgary, Alberta T2P 2S5 Attention: Greg Demchuk Telephone: 403-766-6368

Fax: 403-766-7600

E-mail: greg.demchuk@cenovus.com

To view a copy of the applications, EIA, and supporting documents, contact

ERCB Information Services Suite 1000, 250 – 5 Street SW Calgary, Alberta T2P 0R4 Telephone: 403-297-8311 (Option 2) (toll free: 1-855-297-8311)

Viewing hours: 9:00 a.m. to 3:00 p.m.

Alberta Government Library Great West Life Building 6th Floor, 9920 – 108 Street Edmonton, Alberta T5K 2M4 Telephone: 780-427-5828 (toll free: 780-310-0000)

Copies of the applications are also available for viewing at <u>www.cenovus.com</u>: Operations: Emerging Oil Projects: Grand Rapids: Pelican Lake Grand Rapids Project Joint Application and Environmental Impact Assessment or any of the following locations:

Municipal District of Opportunity No. 17 2077 Misstassiniy Road North Wabasca, Alberta T0G 2K0 Telephone: 780-891-3778 Attention: Dennis Egyedy or Renee Bernier

Wabasca Métis Local #90 2681 Strawberry Lane Wabasca, Alberta T0G 2K0 Telephone: 780-891-2363 Attention: Dennis Sinclair

Bigstone Cree Nation #85 BCN Road Wabasca, Alberta T0G 2K0 Telephone: 780-891-3836 Attention: Sheryl Moberly

To File a Statement of Concern

Under Section 73 of the *EPEA* and Section 109 of the *Water Act*, any person who may be directly affected by the *EPEA* application or the *Water Act* application may submit a written statement of concern. Statements of concern under the *EPEA* and *Water Act* must be submitted by June 15, 2012. Please quote Application No. 001-293251 (*EPEA*) or File No. 00303376 (Water Act) when submitting a statement of concern. If no statements of concern are received, the *EPEA* and *Water Act* applications may be approved without further notice. Failure to file a statement of concern may affect the right to file a Notice of Appeal with the Environmental Appeal Board. Please submit statements of concern to

Alberta Environment and Water Regulatory Approvals Centre Main floor, Oxbridge Place 9820 – 106 Street Edmonton, Alberta T5K 2J6 Attention: Director, Northern Region

Telephone: 780-427-6311

Fax: 780-422-0154

The ERCB also receives and reviews statements of concern sent to AEW. Once reviewed, the ERCB may register a statement of concern as an objection to the ERCB application for the Project, depending on the nature of the concerns expressed and further correspondence with the concerned party. Any interested party can file a separate objection with the ERCB if its concerns with the Project only relate to the ERCB application. The submission deadline above does not apply to objections to be filed with the ERCB, unless stated otherwise in a

notice or other direction of the ERCB.

Applications for Confidentiality

Section 13 of the *Energy Resources Conservation Board Rules of Practice (Rules of Practice)*, Section 35(1) of the *EPEA*, and Section 15(1) of the *Water Act (Ministerial) Regulation* require that all documents filed in respect of this proceeding must be placed on the public record. However, any party may apply for confidentiality of information. For the ERCB, any application under Section 13(2) of the *Rules of Practice* must be copied to the other parties to the proceeding. For the purposes of AEW, such requests can be filed according to Section 35(4) of the *EPEA* and Section 15(4) of the *Water Act (Ministerial) Regulation*.

For information about ERCB procedures, contact

Oil Sands and Coal Branch, In Situ Oil Sands Applications Group

Attention: Laura Hickman Telephone: 403-297-6174 Fax: 403-297-3187

E-mail: laura.hickman@ercb.ca

Issued at Calgary, Alberta, on March 19, 2012.

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