

TABLE OF CONTENTS

Н.	WATER ACT APPLICATION	1
	INTRODUCTION	
	GROUNDWATER DIVERSION FROM GRAND RAPIDS FORMATION	
H.3	CONCLUSIONS	2
	WATER ACT APPLICATION	

May 2010 Page H-i

H. WATER ACT APPLICATION

H.1 INTRODUCTION

This application is an integrated submission to the Alberta Energy Resources Conservation Board (ERCB) and Alberta Environment (AENV) for approval to construct, operate and reclaim the proposed Great Divide SAGD Expansion Project. Connacher currently holds *Water Act* approvals for the Great Divide (Pod One) Project and Algar Project to withdraw water from the Grand Rapids Formation. Connacher would like to merge the Algar *Water Act* Licence (240527-00-00) with the Great Divide *Water Act* Licence (240458-01-00). The combined Licence would then to be amended to include the additional allocation required for the Great Divide Expansion Project.

The existing Licences for the Great Divide and Algar Projects and respective water allocations (m³) are summarized below.

Great Divide Project Water Act Licence:

• Licence No. 240458-01-00 Annual Volume: 292,000 m³

Algar Project Water Act Licence:

• Licence No. 240527-00-00 Annual Volume: 330,000 m³

The additional water use requirements for the Project are estimated to be:

• Steady state operations Annual Volume: 480,000 m³

The total make-up water for the Project (including expansion) is estimated to be:

• Annual Volume - 1.102.000 m³

The total make-up water for the start-up of the expansion Project is estimated to be:

• First three months of operation - 100,000 m³

H.2 GROUNDWATER DIVERSION FROM GRAND RAPIDS FORMATION

The source of groundwater for the amended Algar SAGD expansion will be obtained from the Grand Rapids formations (existing approvals) and Grand Rapids Formation (additional allocation for expansion area). Connacher is applying for the following:

- Steady state operations require annual diversion of 480,000 m³/year; and
- Temporary diversion for the first 3 months of the Project for project start-up $-100,000 \text{ m}^3$.

Water recycling will be undertaken using state of the art evaporator and crystallizer technology (Section B.5).

May 2010 Page H-1

H.3 CONCLUSIONS

The impacts of disturbances caused by the development of the Project on the groundwater was investigated and found to be negligible. Groundwater production should have no significant effects on the quantity of water in other formations, the surface water resources or on vegetation. No active groundwater production was identified within the Project Area, therefore impacts to other users are not anticipated.

Connacher will require a total of 1,102,000 m³ of water per year for the entire SAGD operation, including the expansion, under steady state conditions; of this 622,000 m³ is currently under Licence by Connacher (Licence No. 240458-01-00 and 240527-00-00) and 480,000 m³ is under application to AENV as part of this submission. Connacher requests the full volume from the Grand Rapids Formation. For the first three months of operation Connacher requests a temporary licence of 100,000 m³ of groundwater.

Once details of the individual wells are available an evaluation will be submitted to Alberta Environment to support the application for a licence under the *Water Act* for diversion of groundwater and as required in the Water Conservation and Allocation Guideline for Oilfield Injection (Alberta Environment 2006).

May 2010 Page H-2

H.4 WATER ACT APPLICATION

Documents or information provide (Ministerial) Regulation are public Check one or more of the following	records and are accessibl	le by the public.	(1)(a) of the <i>Water</i>		
Diversion of water 🛛 Renew	al of a licence Consti	ructing Works			
Applicant:					
Print Name and Company Name (if applic	cable):	Home Telephone:	Bus. Telephone:		
Connacher Oil and Gas Limited		n/a	(403) 538-6201		
Address (Street, PO Box, etc.):	Place, Province:	Postal Code:	Fax:		
Suite 900, 332 – 6 th Avenue SW	Calgary, AB	T2P 0B2	(403) 538-6225		
Are you the registered landowner	? Yes ☐ No ⊠ If no, pleas	se attach a copy of the	consent from the landowner.		
Consultant, Signing Authori	ty, or Applicant's Repre	esentative (if applic	able):		
Print Name and Company Name (if applic	cable):	Home Telephone:	Bus. Telephone:		
Connacher Oil and Gas Limited		n/a	(403) 538-6201		
Address (Street, PO Box, etc.):	Place, Province:	Postal Code:	Fax:		
Suite 900, 332 – 6 th Avenue SW	Calgary, AB	T2P OB2	(403) 538-6225		
Contact Person if not showr	above:				
Print Name:		Telephone:	Fax:		
Mr. Steve de Maio, Vice Presiden	t Project Development	(403) 538-6201	(403) 538-6225		
Project Description:		,			
Tentative Starting Date: Q1 201	Duration of Cons	struction/Development	:: Q1 2011 to Q4 2036		
(if applicable) Duration of Water Diversion/Use: <u>25+ years</u>					
Provide a detailed description inc	luding location of works an	d activities relating to	the project and attach plans:		
Details are explained in Part B of information can be found in Secti					

Affected Water Sources (Location of Works and Activities):

Surface Water (if only constructing works, complete the first two columns):

Source (e.g. lake, stream, or	Diversion/Activity Location	Annual Quantity	Rate of Diversion	Is Construction or Development	Purpose
name of source, if known)	1/4 sec twp rge m	(cubic metres)	(show units)	Required? (Yes or No)	rurpose
1.					
2.					
3.					

Groundwater:

Date Well Drilled or proposed drilling date	Well (p	•	sed) Lo	rge	ns m	Total Depth (metres)	Production Interval (metres)	Pumping Rate (show units)	Annual Quantity (cubic metres)	Purpose
1. existing (LSD 02,03,04,06 – Section 19)	1	9	82	11	4	400	350-400			
2. Proposed drilling in 2012		18, , 20	82	11	4	400	350-400	1315 m³/day	480,000 m³/year	SAGD
3. Proposed drilling in 2012	12	, 24	82	12	4	400	350-400			
4. Make-up Water for Start-up (3 months)	Loca	ition s	same as and 3		oer 2	400	350-400		100,000 m³/year	

Please attach a separate sheet if you wish to provide more information.

Statement of Confirmation:

The information given on this form is true to the best of my knowledge.

May 17, 2010	Iter Seller	Steve De Maio	Connacher Oil and Gas Limited
Date of Signing	Signature	Print Name	Company Name (if applicable)
Return the completed form	to an Alberta Environment	Regional office neare	st you:
Regulatory Approvals Centre 9th Floor, Oxbridge Place 9820 – 106 Street Edmonton, Alberta T5K 2J6 Telephone: (780) 427-6311 Fax: (780) 422-0154	Northern Regional E-mail address <u>Aenv.northwaterapprovals@gov.ab.ca</u> Central Regional E-mail address <u>Aenv.centralwaterapprovals@gov.ab.ca</u> Southern Regional E-mail address <u>Aenv.southwaterapprovals@gov.ab.ca</u>		

OFFICE USE:

File Number:	Fee Receipt Number:	Application ID: Operation ID:
Notice Information:	Application Completion Date:	Priority Number: