

February 3, 2009

Jerry Demchuk
Manager, Regulator and Stakeholder Affairs
Athabasca Oil Sands Corporation
Bow Valley Square 4
Suite 2000, 250 6th Avenue SW
Calgary, Alberta T2P 3H7

Dear Mr. Demchuk:

Further to your email of February 2nd, 2009, I wish to advise you that the proposed MacKay River In-Situ project is a mandatory activity pursuant to Schedule 1(j) of the *Environmental Assessment (Mandatory and Exempted Activities) Regulation*. Athabasca Oil Sands Corporation is required, pursuant to Section 44(1)(a) of the *Environmental Protection and Enhancement Act (EPEA)*, to prepare and submit an Environmental Impact Assessment (EIA) report for this project. The EIA report is to be prepared in accordance with the provisions of Division 1 of Part 2 of the *EPEA*.

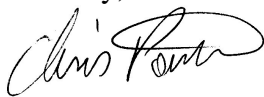
In addition, please note that Alberta Environment's section (Part III) of *Alberta's First Nation Consultation Guidelines on Land Management and Resource Development* will apply to this project and, accordingly, you will be required to submit a First Nations Consultation Plan to the department for approval prior to the advertisement of your proposed Terms of Reference. The full Guidelines can be found on the Alberta Aboriginal Relations' website at <http://www.aboriginal.alberta.ca/571.cfm>.

If you have any questions about the First Nations consultation process, please contact Chris Van Tighem at (780) 427-2998.

If you have any questions or require further direction on the Environmental Assessment process please contact Michelle Camilleri at (780) 427-8411.

At this time I would recommend you contact Shauna Sigurdson (780-495-2236) with the Canadian Environmental Assessment Agency to identify any potential federal triggers (including those under the *Fisheries Act* and *Navigable Waters Protection Act*) and thus any federal environmental assessment requirements under the *Canadian Environmental Assessment Act*.

Sincerely,



Chris Powter
Environmental Assessment Team Leader
Northern Region
(Designated Director Under the Act)

cc: T. Abel (ERCB) K. Singh (AENV)
S. Sigurdson (CEAA) C. Van Tighem (AENV)