

Alberta



February 22, 2024

To: 2024 AER Oil & Gas Administration Fees Recipients

Re: Industry Support for the Alberta Upstream Petroleum Research Fund

On behalf of the Canadian Association of Petroleum Producers, the Explorers and Producers Association of Canada, Alberta Energy and Minerals, and Alberta Environment and Protected Areas, we encourage your company's contribution to support the Alberta Upstream Petroleum Research Fund (AUPRF), administered by Petroleum Technology Alliance Canada (PTAC).

We recognize the significant value the AUPRF applied research program provides to the oil and gas industry through collaborative research and innovation. The 2024 budget necessary to implement this research program is \$5,300,000. Your contribution is voluntary. However, we urge you to carefully consider the benefits of this program. Collectively, we fund research and technology development that addresses pressing environmental issues such as emissions reduction, well closure and land remediation. Your contribution will assist with the development of new clean technologies and business processes resulting in improved efficiency, cost savings and the development of smart regulations.

AUPRF Performance Highlights

Some key highlights of the program to date include:

- Over 500 projects have been launched to date.
- Over \$36 million in funding from the oil and gas sector through AUPRF, leveraging total research spending of over \$190M.
- \$125M in estimated annual savings realized through adoption of technologies and best management practices to reduce methane emissions, reduce costs for soil and vegetation remediation, and manage species at risk.
- Enhanced governance through the industry led AUPRF oversight committee.
- 2022/2023 AUPRF Annual Report - <https://auprf.ptac.org/wp-content/uploads/2024/01/AUPRF-2022-2023-Annual-Report.pdf>

Notable projects that benefited from past AUPRF funding include:

- Evaluation of Reclamation Practices on Peatland Wellsites
- Assessing Weeds on Reclaimed Sites for Streamlining Certifications
- Alternative Products for Well Remediation and Closure
- Quantification of Methane Emissions in Stationary Engine Exhaust and Best Management Practices for Mitigation
- Use of Pileated Woodpecker Nest Cavities and Artificial Nests by Migratory Birds
- Alberta Water Tool Open Access

What's in store for 2024

The program will continue to focus on the priorities of industry including projects such as:

- **Methane slip (unburned methane in stationary engines):** AUPRF just completed a project on methane slip that included the development of best practices to optimize engine performance and reduce emissions and is now progressing a methane slip technology project that is anticipated to significantly reduce methane emissions.
- **Well integrity research focused on closure requirements:** AUPRF is funding technology developers seeking improvements in alternatives to cement for closing wells, along with the procedures needed to place those products in the correct areas to seal off methane emissions.
- **Evidence-based thresholds for soil remediation:** Industry and government continue to explore whether the current thresholds for soil contaminants are risk-based and informed by field research to determine the impacts on plants and animals.

For more information on the AUPRF program, please visit: <https://auprf.ptac.org/>

As a funder, your organization is entitled to access detailed information from AUPRF projects including background information and details not available to other stakeholders through the AUPRF Technical Library. There is also a vast catalogue of best management practices developed to improve operational efficiencies and cost effectiveness.

Your staff can get involved in the decision-making process to set priorities for the research. The AUPRF program is driven by the pragmatic perspective of oil and gas producers. Your organization will also be recognized publicly as a financial contributor to this program. Presentations and potential training activities may also be arranged, as requested.

We thank you for your valued contributions, and hope that you will join our efforts in supporting the Alberta Upstream Petroleum Research Fund. For additional information:

- For information on AUPRF projects, please contact: Tannis Such, Director, Environmental Research, PTAC at 403-218-7703 or tsuch@ptac.org.
- For information on how your portion of the AUPRF funding was calculated, please contact: adminfecordinator@aer.ca.

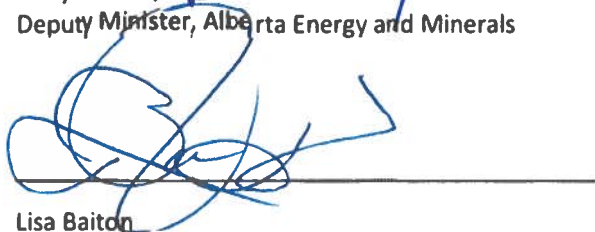
Sincerely,



Larry Kaumeyer
Deputy Minister, Alberta Energy and Minerals



Sherri Wilson
Deputy Minister, Alberta Environment and Protected Areas



Lisa Baiton
President and CEO,
Canadian Association of Petroleum Producers



Tristan Goodman
President,
Explorers and Producers Association of Canada