

ACTION PLAN FOR ERCB DECISION 2011-007

SHELL CANADA INC.

APPLICATIONS FOR WELL, FACILITY, AND PIPELINE LICENCES, WATERTON FIELD

ACTION ITEM	REQUIRED ACTION/COMMENTS	DECISION: 2011-007	ERCB PROCESS TO ENSURE FOLLOW-UP	STATUS & EVIDENCE
1 Drilling and Completions ERP Exercise	The Board, as a condition of its approval, requires Shell to conduct a drilling and completions ERP exercise prior to spudding the WT68 well and to involve interested stakeholders in the development and implementation of and follow-up to that exercise.	Section: 5.2 Paragraph 40 P. 8	Shell will submit its exercise plan to the Emergency Planning and Assessment Group (EPA) with sufficient time for EPA to review it and provide feedback prior to the commencement of the exercise. Shell should contact EPA to determine details of timing for the pre-exercise review. Upon completion of the exercise the documentation and reports generated shall be submitted to EPA for a post-exercise review. Shell will provide the Nonroutine Group a summary of the exercise, which should include a summary of stakeholder involvement in the development, implementation of and follow-up to, the exercise.	Completed - March 5, 2012 Shell submitted the final report for its pipeline ERP exercise that was conducted on November 29, 2011. -September 8, 2011: Shell submitted a summary of the progress toward incorporating recommendations into its ERP exercise to the Nonroutine group -July 14, 2011: Shell submitted report on exercise to Nonroutine group -June 25, 2011: ERP Exercise held -May 30, 2011: Shell invited stakeholders to participate in ERP exercise -May 25, 2011: Shell submitted its plan for the ERP exercise to the ERCB -May 19, 2011: Shell invited stakeholders to and held a second pre-exercise planning meeting and workshop -May 12, 2011: Shell invited stakeholders to and held a pre-exercise planning meeting and workshop -April 20, 2011 WAG meeting: Shell put forth proposal for community involvement in ERP exercise.
2 Dust Control	The Board, as a condition of its approval, requires Shell to control dust on the Seven Gates Road by watering the road as required based on the weather, road use, and road condition during drilling and completion of the well.	Section: 5.5 Paragraph 88 P. 17	The ERCB will notify Shell and the Midnapore Field Office that any complaints relating to dust on the Seven Gates Road are to be forwarded to the Nonroutine Group for tracking purposes.	Completed - December 20, 2011 - Shell reported on 2011 dust issues at the December 14, 2011 WAG meeting -Shell reported on 2011 dust issues at the October 5, 2011 WAG meeting -Shell reported on 2011 dust issues at the April 20, 2011 WAG meeting -January and February 2011: Shell met with stakeholders -Shell reported on 2010 dust issues at the December 6, 2010 WAG meeting

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3 Traffic Monitor	The Board, as a condition of its approval, also requires Shell to have a traffic monitor close to the junction of Seven Gates Road and Highway 507 during drilling and completions of the well.	Section: 5.5 Paragraph 88 P. 17	Shell will notify the Nonroutine Group upon the implementation and closure of its traffic monitoring program.	Completed - December 19, 2011 -Traffic monitoring closed-out on December 19, 2011 -Shell reported on 2011 traffic issues at the October 5, 2011 WAG meeting -May, 2011: Shell installed traffic monitoring at the junction of Highway 507 and Seven Gates Road
4 Well Testing Plan	The Board, as a condition of its approval, directs that if Shell needs to test the well, the operational plans for this test, either in-line or by flaring, must be submitted to the ERCB for approval.	Section: 6.5 Paragraph 138 P. 28	The ERCB will review the operational plan for any well testing and copy the results of the review to the Nonroutine Group.	Completed - October 13, 2011 ERCB completed its review of the proposed operational plans to test the well -April 11, 2011: Shell met with ERCB to discuss well testing -Shell has stated it is not intending to flare test the well at this time and will submit operation plans to the ERCB for approval if it later determines that it needs to test the well by flaring.

The conditions imposed in approvals/licence(s) are monitored by the Alberta Energy Resources Conservation Board (ERCB). The ERCB has developed a process whereby an action plan is developed internally to ensure that ERCB staff monitor conditions arising from decision reports for compliance. The conditions are managed in an action plan that is updated quarterly with statuses of conditions. The action plan defines the action required, timeframes for completion, and a summary of the evidence provided to confirm a condition was met. For more information, please contact the Action Plan Administrator at (403) 476-4783.