

3.0 PUBLIC CONSULTATION

3.1 Introduction

LEL has developed and maintained a Public Participation Program to engage stakeholders in discussions and consultation about its activities in the Wabasca Region. The Bigstone Cree Nation is the closest aboriginal community to the Pilot Project site with a residential community located 80 km southwest of the Project site. The Bigstone Cree hold reserve lands in the region surrounding Wabasca Lake as shown on Figure 1.1-1.

The Public Participation Program has been applied to LEL's exploration activities, the Germain Pilot Project, and the Saleski Pilot Project in the Wabasca-Desmarais area. The public participation process commenced prior to initiation of LEL's exploration program. The underpinning of this process has been, and will continue to be a specific set of Consultation Objectives.

3.2 Consultation Objectives

LEL's consultation objectives are consistent with requirements of Directive 056 - Energy Development Applications and Schedules (EUB, 2007) and are as follows:

- To build and maintain a transparent, mutually-beneficial and respectful relationship with our neighbours.
- Seek input into the design of the consultation process and practices to ensure they respect and meet the communications and consultation needs of the neighbours.
- Provide timely, accurate information in a manner that is conducive to promoting understanding of the information being shared.
- Provide our neighbours with the opportunity to understand our plans and operations and give them feedback on how their input will be incorporated in our plans and operations.
- Listen to our neighbours perspectives, requests, and recommendations and give them full consideration in light of our business requirements.
- Seek to establish a high level of inclusiveness when identifying those who may have an interest or be potentially impacted by our activities or proposed activities.



3.3 Program Scope

LEL has designed its Public Participation Program consistent with the Consultation Objectives. Internal accountability for this program lies with the senior management team who monitors and is actively involved in it.

Stakeholders can include nearby landowners, Métis groups, municipalities, recreational land users, other industries, environmental groups, governments and regulators. First Nation groups often consider themselves governments or traditional land users rather than stakeholders. With respect to this view, LEL identifies the Bigstone Cree Nation separately where applicable.

As indicated in the CAPP Guide for Effective Public Involvement, public consultation is necessary when:

- there is public interest in a project;
- the scale or type of project activity is perceived as significant;
- those affected (stakeholders) expect to be involved in the process; and
- there is a regulatory requirement.

LEL has followed locally-acceptable engagement methods, and have, and will continue to rely heavily on face-to-face consultation such as group and individual meetings. For the Pilot Project, personal contact approaches may be augmented with other communications methods that include, but not be exclusive to posted notices, displays and other printed communications.

LEL has invested in a formalized, effective consultation management system that allows it to monitor and record consultation with each stakeholder. The LEL has dedicated a staff member to maintain the system.

3.3.1 Stakeholder Identification

LEL has identified a number of stakeholder groups relative to the Project as follows:

- provincial government agencies;
- First Nation and Métis Peoples;
- local businesses;
- regional and municipal governments;
- regional service providers;
- oil and gas developers; and
- forestry industry



3.3.2 Stakeholder Consultation

Consultation has and will continue to be undertaken with the following groups. In some cases where consultation has not taken place, LEL has made efforts to consult. LEL will continue these efforts.

Provincial Government Agencies

- Alberta Energy and Utilities Board
- Alberta Environment
- Alberta Sustainable Resource Development

First Nation & Métis Peoples

- Registered Fur Management holders within LEL's lease
- Bigstone Cree Nation Chief and Council
- Bigstone Cree Notification/Consultation Office
- Métis Local #90

Local Businesses

- North 8 Contracting Ltd.
- Bigstone Oilfield Service & Supply (BOSS)
- Eric Auger & Sons Contracting Ltd.
- Schroder Oil Field Services
- Noralta Lodge
- Westvac Energy Services
- North-Ray Equipment
- Remote Helicopters
- Jennifer's Open Camp
- WAT Holdings
- Bigstone Ventures Ltd.

Regional and Municipal Governments

- Bigstone Cree Nation Chief and Council
- M.D. of Opportunity



Regional Service Providers

- Bigstone Cree Community School
- Bigstone Cree Economic Development
- Bigstone Cree Emergency Women's Shelter
- Bigstone Cree Human Resource Development
- Bigstone Cree Social Development
- MD of Opportunity
- Mistassinly School
- Pee Kis Kwe Tan "Let's Talk" Society
- St. Teresa School
- The Outreach Wabasca Public Library

Developers

- Paramount Energy Trust
- Husky Oil
- Oil Sand Underground Mining (OSUM)
- Koch Exploration Canada Corporation
- Canadian Natural Resources Ltd. (CNRL)
- Trafalgar Energy Ltd.
- ConocoPhillips Canada
- Paramount Resources Ltd.
- Suncor Energy Inc.
- EnCana Corporation
- Murphy Oil Company Ltd.
- Alberta Pacific Forest Industries Inc. (AlPac)

3.4 Consultation Results

Through the consultation process, LEL has been made aware of the following environmental, social and economic concerns and ideas. A synopsis of these concerns and ideas, along with LEL's responses and proposed mitigation are provided in Table 3.4-1 (Environmental) and Table 3.4-2 (Socio-economic). Additional information has also been summarized in Appendix 5.



LEL has responded proactively to socio-economic and environmental concerns raised to date. Some initiatives the Company has undertaken are:

Environmental Mitigation:

- Minimizing disturbance by integrating infrastructure systems, building multi-service corridors, limiting road infrastructure and minimizing pad sizes.
- Recycling water used in core hole activities to limit the amount of surface water use by up to 40 percent.
- Taking part in Bigstone Cree Traditional Land Use Studies including identification and mapping of sensitive and important areas.
- Provided funding and helicopter surveys with Bigstone Cree Nation Consultation Office and Elders.
- Providing continuous education to field employees on issues and concerns that are of a sensitive nature when choosing accesses and sites.
- Ensuring early consultation is undertaken on future plans with potentially affected parties prior to any disturbances so potential mitigation opportunities can be developed.
- Use of reclamation security deposits to monitor appropriate clean up of site areas.

Socio-Economic Mitigation:

- Garnered local input into the development of LEL's Community Investment Guidelines.
- Developed Community Investment Guidelines to support donation requests in a manner that meets local needs and reflects the size and impacts of LEL.
- Provide community investment dollars to several local groups and agencies in the areas of education, recreation, health and traditional land use.
- Proactively initiated a local hiring approach that resulted in 93% of construction and maintenance contracts associated with LEL's 2006-2007 Exploration Program being awarded to local contractors.
- Sought to initiate first contact with local and regional stakeholders.
- Continue to request and hold meetings to inform stakeholders of proposed plans; identify concerns and discuss mitigation of those concerns.

The Saleski Pilot Project plans, and in particular the proposal for the drilling of the initial two horizontal wells in early 2008, have been reviewed with the Bigstone Cree Nation Consultation Office, Metis Local #90, the M.D. of Opportunity and the Registered Fur Management Area holders. Letters of non-objection from the directly-effected stakeholders with respect to the early



2008 undertaking to drill two horizontal wells are provided in Appendix 5. Appendix 5 also includes an email communiqué from AENV, indicating its non-objection to drilling two horizontal wells prior to regulatory approval or development authorization for the entire Saleski SAGD Pilot Project.

Table 3.4-1Summary of Stakeholder Issues & Ideas and LEL's Responses & Mitigati Environmental				
The Environment	Issue/Idea	Stakeholder	LEL Response	
Land Disturbance	Impact on Traplines	Bigstone Cree Trappers	Adopt a Trappers Compensation Program	
	Fragmentation	MD Opportunity	Use existing access wherever possible Participating in updating the Bigstone TLU Study Sponsoring three seats in the Bigstone Cree Nation Trapper Training Community Investment The required baseline soil, vegetation and wildlife surveys have been conducted for the Saleski Pilot Project to determine and minimize risk	
	Use of sludge ponds	MD Opportunity	The Saleski Pilot will not use sludge ponds.	
Noise	Noise close to trapper cabins	Bigstone Cree Trappers	Noise is compensated for in the Trappers Compensation Program	
Water Use	Surface water use	Bigstone Cree Trappers	Recycle water used in core hole activities to limit the amount of surface water use by up to 40% Mitigation for impact on water currently being discussed with Bigstone Cree as part of Trappers Compensation Program No surface water use for the Saleski Pilot Project Base line water testing and monitoring to be set up in the Grand Rapids this winter to monitor the effects of our water withdrawal for the Saleski Pilot Project Use of properly engineered road access including bridges and all water crossings to ensure water flow is not restricted and to minimize the risks of spills	
Air	Flaring	Bigstone Cree Nation Consultation Office	Offgas will be used to fuel steam generators and the flare system will be used as a backup.	
Ground Water	Contamination of surface water as a result of water usage for the Saleski Pilot Project	Bigstone Trapper	LEL will not use surface water as a source for steam generation in the Saleski Pilot Project.	



Table 3.4-2 Summary of Stakeholder Issues & Ideas and LEL's Responses & Mitigation-Socio-Economic						
Socio-Economic	Issue/Idea	Stakeholder	LEL Response			
Economic Opportunities	Use of local contractors	Local businesses	LEL awarded 93% of its 2006-2007 Exploration contracts to businesses. In turn, local contractors provide local hiring opportunities			
	Local hiring	M.D. of Opportunity & Bigstone Cree Nation Chief and Council	Investigating programs that will support the training and hiring of local people. LEL is an observer at the Bigstone Cree Nation Joint Working Group			
Safety	Speeding of vehicles on local roads	Bigstone Cree Nation members	Security will be installed during Winter Exploration Program and will monitor volume of traffic and ensure LEL employees and their contractors obey all posted speed limits.			
Cumulative Impact by development on the social fabric of Wabasca	Increase in drug and alcohol use Need for local training opportunities	Community Action Team (Comprised of about 30 social service agencies in the Wabasca region.)	Solicited local input into the development of the Company's Community Investment Guidelines Made commitment to report back to the Community in Action Team (CAT) on these Guidelines and have offered financial and human resources for a project chosen by CAT Dry work camps			
	Support for local social and recreational initiatives	Community Action Team (CAT) members (CAT is a regional-based organization in the Wabasca area comprised of approximately 30 social agencies)	LEL has provided financial contributions to several community organizations			
Consultation	Timely information about LEL activities	MD Opportunity	Information shared prior to start of 2006-2007 Exploration Program			
	Participation in Bigstone Cree Nation Traditional Land Study Establishment of relationship with Chief and Council and Notification – Consultation Office Impact on Notification – Consultation Office due to large number of developers in the region.	Bigstone Cree Nation	Information for 2007-2008 Exploration Program and Saleski Pilot Project initiated during summer months prior to start LEL executives held several meetings with Chief and Council of Bigstone Cree Nation to share information; understand and work on issues; and develop a relationship Bigstone Cree Nation trappers participated in review of 2006-2007 field work Agreement has been reached to have trappers participate in field work for 2007-2009 Exploration Program and Saleski Pilot Project. Information will			



Table 3.4-2 Summary of Stakeholder Issues & Ideas and LEL's Responses & Mitigation-Socio-Economic					
Socio-Economic	Issue/Idea	Stakeholder	LEL Response		
			be used to augment existing TLU Study LEL has provided funding to support the Notification – Consultation Office in recognition of the need to consult effectively with the Bigstone Cree Nation on an-ongoing basis		

3.5 Future Consultation Plans

LEL plans to maintain its Public Participation Program as long as it has interests in the Wabasca-Desmarais area. It will design and implement future public involvement initiatives in consultation with its stakeholders and endeavour to use communication and consultation methods best suited to the needs of its neighbours. Specific initiatives may include, but not be exclusive to:

- Open houses;
- Involvement in community-based career fairs;
- Continuous implementation of its Community Investment Guidelines;
- Continuation of its local hiring practices;
- Regular project and activity update meetings with community leaders;
- Maintain trapper relations;
- Issues and Concern management through face-to-face contact;
- Monitoring of its Public Participation Program through its computer-based consultation management system;
- Periodic internal evaluations of its Public Participation Program;
- Periodic stakeholder evaluation; and
- The first community newsletter is currently being prepared.