ACTIVITY REPORT

TIME : 08/17/2010 13:44 NAME : ERNSTENVIRONMENTAL FAX : 14036772229 TEL : 14036772074

DATE	TIME	FAX NO./NAME	DURATION	PAGE(S)	RESULT	COMMENT
08/17	13:37		05:25	10	OK	TX ECM

BUSY: BUSY/NO RESPONSE NG : POOR LINE CONDITION CV : COVERPAGE CA : CALL BACK MSG POL : POLLING RET : RETRIEVAL

Jessica Ernst Box 753 Rosebud AB T0J 2T0

Sent from fax 403-677-2229 to 403-645-3400

10 pages total

August 17, 2010

Ms. Heather Tanaka, Legal Counsel EnCana Corp. 150-9th Ave. SW Calgary, AB T2P 2S5

Dear Ms. Tanaka,

Re: Your letter dated June 23, 2010 and attachments.

Thank you for your letter dated June 23, 1010 and attachments. Your letter indicates that EnCana intends to drill several new gas wells and construct associated facilities near my home, and at least one that will be directionally drilled in the subsurface beneath my property. Thank you for offering to provide more information. I request the following, please:

- 1. It appears that one of the surveys was revised but the revision was not sent to me. Please send a revised copy of the development packages you sent updated with corrections and revisions.
- 2. Some of the partial Mosaic Plan you sent me is barely legible. Please send three copies of the full sized, complete Mosaic Plan for the Rosebud area, including copies of past revisions.
- 3. On the partial Mosaic Plan you sent me, there is a white dashed line that states: 1.5km boundary, but the legend does not include what this line represents. EnCana's new wells, access roads and pipelines fall within this boundary. Please include this white dashed line in the legend of EnCana's Mosaic plan and explain what it is.
- 4. I sent questions to EnCana in past years about groundwater, noise and the company's down-spacing applications for this area. I haven't yet received answers. The ERCB advised that EnCana would address my concerns, but EnCana did not. Will EnCana address my past concerns before these new developments? I attached some for your reference.
- 5. Will EnCana adhere to Wheatland County's Land-Use Bylaws for these developments?
- 6. The July 2010 update by Wheatland County and Dillon Consulting of the *Rosebud Area Structure Plan* states: "The County recognizes that managing Rosebud's environment means looking beyond the Hamlet's boundaries. The County will protect Rosebud's environment by discouraging industries in the area that could cause noise pollution and reduce air quality...."
 - a) Will EnCana adhere to Wheatland County's environmental protection plans?

- b) Did EnCana consult with Rosebud Hamlet and Wheatland County about the company's new developments?
- 7. I understand that well 2-13-27-22 W4 will be directionally drilled to a bottom hole that is located near my residence and under my land.
 - a) What standards of practice does EnCana apply when directionally drilling and fracturing under private property?
 - b) Are there any setbacks (regulatory or voluntary) that EnCana will abide by to ensure the well does not impact key features of private property including water wells, wetlands and vegetation?
 - c) Does EnCana have any information on the relative risk to groundwater and gas leakage to surface from directional drilling and fracturing as compared to vertical drilling and fracturing?
 - d) In what way does the existence of a directionally drilled well under private property affect future uses of that private property? For example, would a landowner be restricted from drilling deep water wells over a directionally drilled well?
 - e) I understand that using Reverse Circulation Centre Discharge Drilling, available in Alberta, reduces the damage done to formation, thus reducing the need for stimulation and fracturing. This in turn, may reduce the risk of gas migration. Has EnCana considered Reverse Circulation Centre Discharge Drilling for these new wells?
- 8. I understand that EnCana plans to drill wells at 15-12, 2-13, 8-13 and 9-13 all in 27-22-W4M, which are close to my home. Accordingly, I would appreciate the following please:
 - a) The intended drilling programs for these wells, including amount of water used, source of that water and disposal of drilling muds, produced water and frac flow back.
 - b) Information regarding any intended hydraulic fracturing activities, including the acidizing and fracturing fluids that will be used, types of perforations used and the depths of all perforations and fractures, including in relation to the base of groundwater protection.
 - c) Information on the chemicals that will be used at the above wells in all processes associated with the wells, including pesticides for weed control. Please include Material Data Safety Sheets and Transportation of Dangerous Goods details for these chemicals.
 - d) The location and kind of formations targeted by these wells. Are these wells, for instance, targeting tight sands, Coalbed methane or shales?

- 9. EnCana lists numerous ERCB documents that the company will send me, if I request them. Consider this my request for those documents.
- 10. Please send me a copy of EnCana's and its subcontractor insurance policies.
- 11. I understand that the Congress of the United States, like me, is concerned about the potential impacts of hydraulic fracturing and related activities on human health and the environment. Accordingly, the Congressional Subcommittee on Energy and Environment recently asked EnCana to provide it (by August 6, 2010) with detailed information regarding past hydraulic fracturing and associated activities in the United States and any allegations of harm to human health or the environment, and contamination of drinking water. Given the concerns that have been raised in Alberta, including concerns that I continue to deal with, I ask please that EnCana voluntarily release to me the information Congress is requesting and similar information regarding EnCana's fracturing, completing and stimulating, and associated activities in Alberta, notably when and where EnCana injected diesel or other petroleum distillates. I attached a copy of the letter from the Congress of the United States for your reference.

Thank you for your attention, and I look forward to your response
Sincerely,

Jessica Ernst

Attachments:

Some past unaddressed questions and concerns that I sent EnCana.

Congressional Subcommittee on Energy and Environment investigation letter to EnCana

Subject: Re: Your September 4th email
Date: Mon, 11 Sep 2006 22:04:42 -0600
From: jessica <<u>ernstj@telusplanet.net</u>>

Reply-To: ernstj@telusplanet.net

To: Taylor, Mark < <u>Mark.Taylor@encana.com</u>>, Neil McCrank < <u>neil.mccrank@eub.gov.ab.ca</u>>, Knull, Stacy < <u>Stacy.Knull@encana.com</u>>, <u>greg.melchin@gov.ab.ca</u>

It was recently reported in the Strathmore paper, that EnCana had offered to Wheatland County to collect "baseline data" on the hamlet of Rosebud water wells. Please explain EnCana's scientific reasoning for collecting "baseline data" years after perforating and fracturing into fresh water aquifers and drilling so many gas wells in the area.

Re – EnCana's recompletion of the 7-13-27-22-W4M gas well and surveying and testing of my water well

What depths will EnCana be perforating and fracturing at?

Will EnCana provide gas samples for composition and isotopic fingerprinting before commingling the 7-13 gas well?

Will EnCana allow me to choose the consultants to test my well? If yes, thank you; if not, why not?

When does EnCana anticipate doing the perforating and fracturing?

Will EnCana wait until after the natural gas contamination investigation is complete? If yes, thank you, if no, why not?

Will EnCana send me EnCana's gas sampling protocol (including safety requirements) for testing water wells contaminated with natural gas?

Will EnCana also send me EnCana's third party consultant's natural gas sampling protocol (including safety requirements) for testing water wells contaminated with natural gas?

Will EnCana send me the company's safety protocol for surveying property that might have natural gas migrating to surface, and in the water well to be surveyed?

Will EnCana send me a letter from Occupational Health and Safety, approving EnCana's safety protocol for surveying and testing my water well?

Will EnCana assume legal responsibility in the event of a fire, explosion, injury or fatality during the surveying and testing of my well?

Who will complete the survey and will I get a copy of the survey when it is complete?

Would you please send me the survey company's contact information so that I may discuss the details of the survey with them and their safety protocol?

Would you please send me the survey company's contact information so that I may discuss the details of the survey with them and their safety protocol?

When will the new and recompleted gas wells in Sections 13 and 14 be tested? Will any venting take place? How much? How long will each of the new gas wells be tested for? How will EnCana deal with the extensive noise that this cumulative testing will cause at my property? Will all the gas wells be tested at the same time? How will EnCana ensure the testing noise does not violate my legal right to quiet enjoyment of my property and home and will not disrupt my sleep?

Is EnCana going to tie in these recompleted and new wells into the K101 compressor? If EnCana ties in these many new wells to the compressors neighbouring my property, how is EnCana going to mitigate the increased K101 compressor noise? Keep in mind that the AEUB acceptable noise levels are only the barest of expected minimums. Due diligence requires that EnCana mitigates affects, and respects my legal rights. Please detail how EnCana plans to respect my legal rights.

Please send me the tower reports for the gas wells drilled in sections 14, 12 and 13, new and old, and a summary of proposed activities in these sections. If EnCana has nothing to hide [about the recompletion of 7-13], EnCana will happily send me this information. Since you say that EnCana tested all the water wells within the testing distance of its drilling operations, please send me the legal land descriptions of the water wells EnCana tested for the re-completion and fracturing of the 8-14 gas well.

Subject: Outstanding Concerns and Special Gas Well Spacings

Date: Wed, 30 May 2007 23:01:09 -0600 **From:** jessica <<u>ernstj@telusplanet.net</u>>

Reply-To: ernstj@telusplanet.net

To: ernstj@telusplanet.net, "Knull, Stacy" < Stacy. Knull@encana.com >

Re: Outstanding concerns, questions, and missing consultation in EnCana's Chinook Business Unit

Re Ms. Debbie Smith's Letter dated May 8th, 2007, Edmonton to the fish scale (Shales??) formation.

My initial questions and requests, please:

- 1. List with full names, and depths, all formations to be perforated and fractured for all wells in the "special gas well spacing"
- 2. Define "special gas well spacing"
- 3. Do landowners have the right to object to special gas well spacings?
- 4. Will EnCana postpone its application, and provide complete, honest, and appropriate town hall meetings, with question periods to last as long as it takes, *before* applying for the special gas well spacing?
- 5. Will EnCana extend the time to object for three months, until all affected communities have been appropriately consulted with, honestly, openly, and until all concerned citizens have had their questions and concerns completely addressed to the satisfaction of the citizens (instead of just AEUB and EnCana staff)?
- 6. How wide spread is the special gas well spacing application? Please provide detailed maps with the boundaries, if applicable, beyond the County of Wheatland.
- 7. What special gas well spacing will come next?
- 8. What is the maximum expected density of wells per section in Wheatland County that EnCana expects in other words, at what concentration of wells per section will EnCana quit?
- 9. How many Jonah Fields is EnCana planning for its holdings in Alberta?
- 10. Will water be used for fracturing these formations? How much water will be produced and how will it be disposed of?
- 11. List all chemicals to be used in drilling, lost circulation, servicing, perforating, fracturing, etc of these formations.
- 12. Will EnCana provide all MSDS's for all products used for all wells in this spacing?
- 13. What practices above and beyond those at the AEUB and AENV will EnCana employ for this special gas well spacing?
- 14. Is the "special gas well spacing" going to replace the cancelled applications that citzens have objected to in the past, some even with very time consuming Appropriate Dispute Resolutions that were suddenly cancelled by EnCana?

- 15. I request that the deadline (May 30, 2007) for responding to EnCana's special gas well spacing is extended for a minimum of three months, so that all concerned citizens, including myself, may fully and responsibly review the missing information. It is the agricultural industry's busy seeding time of year Ms. Smith's letter provides no relief for conditions that may complicate work for farmers. Why does EnCana disrespect rural citizens, other industries and businesses?
- 16. What date did I receive the special gas well spacing letter from Ms. Smith?
- 17. Please send a copy of the complete environmental and socio-economic impact assessments and cumulative impact assessments completed for this special gas well spacing. The existing adverse cumulative impacts facing the land, water, air, other businesses, and people are already significant. If the company has not completed any such assessments, please detail why not, and when these will be prepared.
- 18. Will this special gas well spacing result in an increase in compression required? Will existing compressors and other facilities be upgraded to handle the increased volume in gas from this special gas well spacing?
- 19. How will EnCana mitigate this noise, if it will not mitigate the noise problems the company is already creating?
- 20. EnCana has been violating my legal right to quiet enjoyment of my home and land off and on now for four years. Detail all the cumulative noise (all rigs, venting, flaring, traffic, compressors, maintenance, trespassers on quads and dirt bikes, etc) and duration of those noise impacts that will occur for activities to fulfill the wells under this special gas well spacing application. How will EnCana mitigate the cumulative violations to my legal right to quiet enjoyment of my home and land from this special gas well spacing?
- 21. What is the gas composition of wells expected in this application?
- 22. Will EnCana provide representative gas samples from all perf and frac depths in this application for isotopic fingerprinting?
- 23. Is shale gas biogenic?
- 24. Will EnCana only use treated water for all activities related to this special gas well spacing to prevent bacterial contamination of aquifers? If not, why not?
- 25. Where will EnCana get its water supply for all activities related to this special gas well spacing application?
- 26. How much water per well is needed on average for drilling, fracturing and servicing each well in this special gas well spacing?
- 27. Will EnCana provide comprehensive baseline testing for water wells and springs, including dissolved methane, isotopic fingerprinting of gases from representative perf and frac depths as the gas wells are drilled (i.e. *before* commingling), BTEX F1-4, metals, *etc* for all gas wells under this special gas well spacing application?
- 28. Will EnCana be commingling the formations in this special gas well spacing with conventional gas, tight gas, and CBM?

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July 19, 2010

Mr. Randy Eresman President & Chief Executive Officer Encana Corporation 1800, 855 - 2nd Street SW P.O. Box 2850 Calgary, AB T2P 2S5

Dear Mr. Eresman:

The Subcommittee on Energy and Environment is examining the practice of hydraulic fracturing and its potential impacts on human health and the environment. We request your cooperation in this investigation.

Since February, the Subcommittee has sent letters to 14 oil and gas well service companies requesting information on their hydraulic fracturing practices. In their responses, these companies identified well operators, rather than well service companies, as the entities most likely to maintain data on the proximity of specific wells to underground sources of drinking water. Similarly, the well service companies directed us to the well operators, such as your company, for information on the recovery and disposal of fluids and water that flow back to the surface of wells that have been hydraulically fractured.

To help inform the Subcommittee on these issues, please provide us with the following documents and information:

1. A list of all oil and gas wells for which your company performed or hired another company to perform hydraulic fracturing in 2008 and 2009 and for which that hydraulic fracturing occurred in, near, or above an underground source of drinking water as defined by the Safe Drinking Water Act. For each well, provide the name of the company or companies that performed hydraulic fracturing at that well.

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- 2. For oil and gas wells that were hydraulically fractured in 2008 and 2009, a list by state and year showing the total volume of flowback and produced water recovered from the wells you operate and an accounting of how your company disposed of or discharged the flowback and produced water.
- 3. For each state in which you operate, identify the top producing natural gas well or unit of wells that was hydraulically fractured in 2009. For each identified well or unit of wells, provide the following information: the total volume of flowback and produced water recovered from the well or unit; an accounting of how your company disposed of or discharged the flowback and produced water recovered from the well or unit; the name of the company or companies that provided hydraulic fracturing services at the well or unit; and the methods by which your company stored on-site the flowback and produced water recovered from each well or unit.
- 4. All tests performed to determine the chemical content of flowback and produced water from wells that were hydraulically fractured in 2008 and 2009. Identify documents related to the wells referenced in request #3 above.
- 5. All company policies, procedures and design standards relating to on-site storage of flowback and produced water.
- 6. All documents relating to any allegations of harm to human health or the environment caused by hydraulic fracturing at your wells, including from improper on-site storage or spills of fluids recovered from your wells; improper on- or off-site disposal or discharge of recovered fluids; and contamination of drinking water.

Please produce the requested documents by Friday, August 6, 2010. In addition, we ask that you advise the Committee by Monday, July 26, 2010, whether you will comply with this request on a voluntary basis. An attachment to this letter provides additional information about responding to Committee document requests.

If you have any questions regarding this request, please contact Alison Cassady or Molly Gaston with the Committee staff at (202) 226-2424.

Sincerely,

Henry A. Waxman

Chairman

Edward J. Mark

Chairman

Subcommittee on Energy and Environment

Mr. Randy Eresman July 19, 2010 Page 3

Enclosure

cc:

The Honorable Joe Barton Ranking Member

The Honorable Fred Upton Ranking Member Subcommittee on Energy and Environment