

Landowners' Guide to Oil and Gas Development

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Introduction





Landowners' Guide to Oil and Gas Development

3rd Edition, All New and Revised

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Finally, we would like to acknowledge all those who assisted with the production of the previous editions of this guide.

The contents of this guide are entirely the responsibility of the Pembina Institute and do not necessarily reflect the view or opinions of those acknowledged above.

The purpose of this guide is to provide Albertans with accurate, factual and unbiased information on oil and gas development and landowner rights. We have made every effort to ensure the accuracy of the information contained in this guide at the time of writing. However, the authors advise that they cannot guarantee that the information provided is complete or accurate and that any person relying on this publication does so at their own risk. This guide should not be treated or relied upon as legal advice. This document cannot take the place of professional advice from a lawyer, professional in land and energy issues, or other qualified experts.

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Landowners' Guide to Oil and Gas Development

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Introduction to the third edition

We are proud to release the third edition of the *Landowners' Guide to Oil and Gas Development* both electronically and in print free to the public. The intent of the new Landowners' Guide is to provide all parties with access to a common body of information about citizens' rights in Alberta as they relate to oil and gas development. We hope it will serve as a valuable tool for landowners, those who rent land, real estate professionals, the oil and gas industry, and any members of the public who may have oil and gas development close to or on their property.

First released in 2001 as *When the Oilpatch Comes to Your Backyard*, and revised in 2004, the guide was a resource that rural residents and landowners remember fondly more than a decade later as an impartial and comprehensive resource. It was seen as a tool to help landowners feel more empowered in their conversations, interactions and negotiations with oil and gas producers. These readers discovered what environmental issues they needed to consider before signing a surface lease or right-of-way agreement. They learned the roles of the various government bodies and where they could seek independent advice. As well, members of the public discovered what to do if they were affected by developments on adjacent property.

Since 2004, however, much has changed. New rules and technologies are impacting landowners differently. Specifically, the Alberta government has introduced new legislation, regulations and procedures; the responsibilities of some departments have changed; and since 2013, the Energy Resources and Conservation Board has been replaced with the Alberta Energy Regulator which is instituting significant changes in the regulatory space for oil and gas in the province.

The shale revolution represents a completely new and extensive type of oil and gas resource and this industry is developing at a rapid pace. Shale oil and gas development is also occurring in new locations, bringing activity to landowners who may have never experienced development in their area. While hydraulic fracturing uses some similar equipment and techniques as other conventional oil and gas wells, there are also considerable differences — its operations are generally more intensive (more equipment, large well sites, longer duration on site, etc.), and it comes with some unique considerations for maintaining your property and protecting the surrounding environment.

With new communication tools and styles it was also time to improve availability of the guide by providing electronic versions in addition to printed copies — although hard copies will still be available for those with internet connection challenges.

The third edition reflects the considerable changes that have occurred and provide readers with the information to understand how oil or gas operations and policy and regulatory system work.

One of the most significant learnings we've heard in our work with many knowledgeable people in the field is that early involvement is critical. The earlier that stakeholders start to discuss and get involved in in the planning and development stage, the more likely it is that all stakeholders can find ways to work out issues and settle on mutually beneficial solutions. We heard this advice from people across the spectrum — landowners, industry and regulators — and it reflects their experiences in both discussions that ended well and those that ended poorly.

It is with this in mind that we encourage readers to read Section 1 in its entirety, as it provides important background information and advice to keep in mind while reading through the guide. If a nearby oil or gas project is not yet approved by the Alberta Energy Regulator, Section 2 will provide you with the context you need to know about being involved in the project before a decision is made. We understand that many readers may not read the guide from cover to cover, but instead choose to read what is most relevant. With this in mind, we have made the guide available online both in individual chapters (to download over slow internet connections), or as a whole. However, we do recommend taking the time review as much of the guide as possible as there are many linkages and internal references throughout that will provide a more complete understanding of oil and gas development in Alberta.



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