

RESOLUTION 1-21
WEED ISSUES ON OIL AND GAS SITES IN RURAL ALBERTA

WHEREAS: the Province of Alberta has experienced an extended period of economic challenge in the oil and gas industry. This has resulted in many resource companies becoming insolvent, forced into receivership, or ultimately claiming bankruptcy;

WHEREAS: there are over 1,000 oil and gas wells in the M.D. of Taber where regular lease maintenance is not being carried out as per the terms of private surface lease agreements. These include wells transferred to the Orphan Wells Association (OWA), companies in receivership or in bankruptcy proceedings, or companies currently still operating and producing product;

WHEREAS: there are no legislated timelines for oil and gas companies to reclaim inactive wells. This has resulted in 90,000 inactive wells in Alberta;

WHEREAS: the Alberta Energy Regulator (AER) has been reluctant to suspend well licenses or limit access to these sites for companies that are in non-compliance of their surface leases terms. These terms could include issues such as weed control, contamination issues, fence maintenance, non-payment of surface rentals, and/or non-payment of municipal taxes;

WHEREAS: the agricultural community in Alberta have been left to deal with the liabilities of countless oil and gas wells that have been abandoned by bankrupt companies or companies that are unwilling or financially unable to maintain their sites;

THEREFORE BE IT RESOLVED THAT ALBERTA'S AGRICULTURAL SERVICE BOARDS REQUEST

that Alberta Environment and Parks, Alberta Energy and the Alberta Energy Regulator, who are responsible for energy development, to put in place appropriate legislation and standards to protect landowners from undue hardship as a result of oil and gas company's neglect of oil and gas sites maintenance issues, namely weed control.

SPONSORED BY: Municipal District of Taber

MOVED BY: _____

SECONDED BY: _____

CARRIED: _____

DEFEATED: _____

STATUS: Provincial

DEPARTMENT: Alberta Environment and Parks

Alberta Energy

Alberta Agriculture and Forestry

BACKGROUND INFORMATION

The ongoing depressed oil and natural gas prices has dramatically affected the industry, the provincial Government, and the residents of Alberta. One of the unforeseen consequences to the landowners of the

M.D. of Taber has been the effects of unaddressed weed issues stemming from oil and gas lease sites.

Several struggling oil and gas companies have opted to forego weed control measures on their lease sites on both private and provincial crown lands within the municipality. This includes companies whose assets have been assigned to the Orphan Well Association, companies in receivership or bankruptcy proceedings, and companies that continue to operate and are choosing not to address their weed control obligations through their surface lease agreements with landowners.

This unfortunate symptom of an industry in peril has resulted in economic implications to cooperating landowners. In many cases, these neglected leases have resulted in weeds moving off the lease onto neighboring lands causing reduced crop yields and having landowners incur the cost, inconvenience, and liability of managing these weed issues themselves.

Efforts by M.D. of Taber landowners to contact operators of these facilities has proven to be frustrating. Commonly, a contact person cannot be found. If they are successful in contacting the company, many times the issues go unresolved.

The plant of primary concern is the Kochia weed (*Kochia scoparia*). This now common, non-native plant grows in wide range of soil types, is drought tolerant, and is becoming increasingly resistant to traditional herbicide treatments. This plant is of great concern to producers of annual cereal crops as it can substantially reduce crop yields and seed cleaning costs in affected fields. Kochia is not listed in the Alberta Weed Control Regulation, therefore municipalities are limited in their ability to address this issue through legislative processes.

Attempts at contacting the Orphan Well Association, the Alberta Energy Regulator, and the Alberta Surface Rights Board have not been successful in attenuating this situation.