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Progress? on Hay-Zama Lakes Wildland: Following the Footprints

By Cliff Wallis

I am finally starting to see the benefits of more than five years of negotiations in which the AWA has played a major role. A March inspection tour by the AWA of the Hay-Zama Lakes Wildland confirmed the first abandonment and dismantling of oil wells in extreme risk open water areas of Zama Lake, three years ahead of schedule. Under a previous agreement, these wells were slated to be abandoned in 2004.

I received further good news in that the principal operator, Ventus Energy of Calgary, wishes to shut down the central processing facility in the middle of the complex, a proposal that the AWA has endorsed. There has been only one objection from another operator and we are confident that the regulators will rule in favor of the abandonment.

The Hay-Zama Lakes Complex is situated in the northwest corner of Alberta, about 50 km northeast of Rainbow Lake. It is a diverse area encompassing hundreds of square kilometres of marshes, open water, willow swamps, floodplain woodlands and wet meadows. It has been designated an internationally important wetland under the RAMSAR Convention and in 1999 was designated a Wildland Park under the Provincial Parks Act. The Complex provides habitat for a wide array of nesting and migrating waterfowl, shorebirds and marsh birds. During migration, up to 30,000 geese and 100,000 ducks use the area. Hay-Zama Lakes is an important traditional fishing and hunting area for the Dene Tha First Nation at Chateh.

Oil and gas exploration and development has been allowed in the lakes in the past. The Hay-Zama Committee was established to address issues related to oil and gas activity in the area. The committee includes representatives from the Dene Tha First Nation, Alberta Energy and Utilities Board, Governments of Canada and Alberta, Ducks Unlimited, Alberta Wilderness Association and the energy industry. It is committed to an orderly winding down of oil and gas activities and protection of the complex.

In 1999, following extensive consultation with the public, government, industry and Dene Tha First Nation, Ventus Energy Ltd. and the Hay/Zama Lakes Committee entered into a "Memorandum of Understanding" (MOU) for oil and gas activities within the Hay/Zama Lakes Complex. The objective of the MOU was to reduce the time frame that oil and gas operations are conducted on the Complex and to significantly reduce the risk of spills by modernizing all facilities. The MOU recognizes the environmentally sensitive nature of the wetland by committing to a rapid phase out period in extreme risk areas and an accelerated but longer phase out period in less sensitive areas.

This last fall, AWA agreed to an addendum to the 1999 MOU. It further accelerates the removal of high risk oil wells in the open water areas. The AWA was faced with a very difficult choice and some very tough negotiations. In order to get this accelerated removal of extreme risk oil wells, the AWA reluctantly agreed to an unprecedented trade off that will allow new industrial footprints in a Wildland Park. These footprints (new pads) are being used to develop low risk natural gas wells in a less sensitive corner of the complex and to accelerate abandonment of the field.

While I am uncomfortable with the AWA's decision, I am pleased that there will soon be no extreme risk oil activity in any open water area of Zama Lake. Ventus has moved up the dates, originally slated for





2004 to 2009, to 2001 to 2006 for abandonment of oil wells in the extreme risk zone and from 2017 to 2012 for oil wells in the less sensitive area. 95% of the complex is now free of industrial activity. No new high risk (oil) well pads will be allowed. Ventus was likewise uncomfortable with giving up millions of dollars of potential revenue but did so in the interests of pursuing their key economic objective in the less sensitive zone and in the spirit of cooperation with the Hay-Zama Committee.

As per previous agreements and directives from the Alberta Energy and Utilities Board, new gas and oil wells are being drilled from existing well pads in this less sensitive area. Further discussions are underway to achieve an even more rapid phase out of all oil activities.

What do you think? Did the AWA pay too high a price to get rid of these wells? Does this set a bad precedent for other wildlands? I look forward to your comments.

