



Wapiti Area Synergy Partnership Updates – May/June 2020

Tidewater Midstream Update –

Chris Walsh, Stakeholder, Community and Indigenous Relations

1. Plant operations steady with overall plant uptime at 95%.
2. Plant is down for planned maintenance / system improvements May 28 and 29.
3. No other plant outages are scheduled until August
4. All Tidewater area pipelines are commissioned and operational. Planning for Right of way cleanup this summer is underway.
5. We are not forecasting any wellsite work in June.
6. There are only a few trucks per day hauling condensate into the plant on RR92.

Pipestone Energy Corp. Update

Darcy Erickson, P.Eng., VP Operations and Productions

Drilling:

- No current or planned drilling

Completions:

SW (LSD 6) 30-71-7-W6M pad site.

Location ½ mile north of highway 43 on Rge. Rd. 80

- Completion work finished in May 2020.
- This pad site is pipeline connected which will allow Pipestone to flow test these wells through the recently installed pipeline resulting in no planned flaring.

Pipeline Work:

Main construction for the Pipestone pipelines 15-14-70-8- to 6-30-71-8-W6M is complete.

- Pipeline clean-up scheduled for late summer of 2020

Pipeline Location: 9-14-71-7-W6M to 5-14-71-7-W6M

Rge. Rd. 71, 1.5 miles south of Highway 43 on Spring Creek Road

- Pipeline construction completed as of January 2020.
- Pipeline clean-up scheduled for the spring and summer of 2020

Installed Wellsite facilities:

Pad Location: 9-14-71-7-W6M

Rge. Rd. 71, 1.5 miles south of Highway 43 on Spring Creek Road

- 2 well facility construction is ongoing. Expected to be completed by the end of July.

SW (LSD 6) 30-71-7-W6M padsite.

Location ½ mile north of highway 43 on Rge. Rd. 80

- Facility construction work is ongoing. Expected to complete by June 30th.
-

Update - Husky Energy

Glenn Bielech, Sr. Manager Grande Prairie Operations

13-26-72-10 multi-well pad and 4-25 well site are on production to Tidewater Pipestone Plant. Pipeline internal inspection work in June on HMGP main flowline.

Development:

7-11 pad work has been completed for 2020 –

3 wells drilled,

production scheduled for 2021.

11-17 pad (2 wells) & 15-33 well site were brought on production in April.

Keyera Update

Vanessa Cartwright, Community Relations

1. **KAPS Pipeline Project** - Keyera along with its partner, SemCAMS Midstream ULC, have agreed to defer construction of KAPS, the previously approved Montney condensate and natural gas liquids pipeline system, for approximately one year. Regulatory activities will continue throughout 2020, positioning the project for construction activities in the second half of 2021. The project remains highly desired by industry as it provides an additional and alternative transportation solution for condensate and natural gas liquids from liquids-rich developments in northwestern Alberta. With the cooperation of the KAPS customers, all transportation agreements have been amended to support the one-year deferral. There have been no changes to the long-term volume commitments as a result of this deferral; accordingly, expectations at this time are that economic returns will be materially consistent with prior guidance.
2. **North Wapiti Pipeline, Crude Pipeline, Sour water disposal pipeline and Gold Creek Lateral ROW** assessment planned for June with final ROW clean-up occurring in July/August
3. **Expansion of the Keyera Pipestone Compressor** underway - Primary work, installation of 3rd inlet compressor, to commence late July, to be operational mid to late October
4. **Phase 2 expansion of the Wapiti gas plant** - Construction is complete and commissioning crews are awaiting lifting of restrictions at site due to Covid-19. Done in stages by process unit, this work is expected to be complete by October.
5. **Tie ins to North Wapiti Pipeline and pipeline from Gold Creek Compressor Station** being scheduled to coincide with facility shutdowns for other purposes

SEMCams Update

Ryan Cameron, B. Sc, P. Ag., Manager Environmental and Regulatory

SEMCams has no new activity occurring in the Wembley area at this time. For the foreseeable future we are not anticipating any work in the WASP area

Secure Energy Update

Scott Moe, Facility Manager – LGFST/EMSWD/PSSWD

Nothing new or planned for any work or outages at our facility outside of regular operation.

Working with Nuvista since October 2019, we have been able to keep 3500 tanker loads of water off of county roads, showing we are committed to finding better ways of doing business with the community concerns and safety in mind.”

Nauticol Update – Gerald Feschuk

Brief update from Nauticol Energy...

- Engineering design for the Methanol Facility continues.
 - A switch in production technology was adopted over the winter and this will reduce project air emissions and water usage.
 - Work with International Paper continues regarding process water supply and wastewater treatment. This arrangement takes advantage of existing infrastructure at IP and ensures no work will be necessary within the Wapiti River.
 - Partnerships with regional First Nations is growing. Discussions with all Nations of Treaty 8 and others continues.
-

Ovintiv WASP Update

Jasone Blazevic, PSL - Lead, Surface Land Pipestone

10-24-71-9 W6M

(South of Highway 43 on RR90)

Currently drilling and scheduled to be complete late June

Completions to follow in early August

14-13-72-9W6M

(South of TWP 724 and RR90)

Drilled one well in early 2020 , remainder to be drilled starting late June

Pipeline Construction

West leg segment

Construction complete from 14-28-72-9 W6 to 15-30-72-8 W6 compressor station

Cleanups to follow in the summer

South Leg segment

Construction is underway from the compressor at 15-30-72-8 to 14-30-71-8

Will be complete mid-April – cleanups to follow in the summer

Interconnect Segment 15-30-72-8 to 5-7-73-8

Construction underway and expected to be complete in July

Sweet Gas Tie in 5-7-73-8 to 15-12-73-9

Construction complete Feb 10. – cleanups to follow in the summer

Pipestone Processing Disposal Line 4-7-73-8 to 9-21-73-8

Construction underway and expected to be complete in July

Pipestone Processing Facility

(RR 90 South of Emerson highway)

Construction ongoing until Q3

County of Grande Prairie Road Bonds

Ovintiv has 2020 Road Bonds in place with the County for break up

CNRL Update

We will be having a turnaround at our 14-03-73-08W6 facility June 22-July 1st. 14-03 is located 9 miles north of Wembley on secondary highway 724. There will be additional traffic entering and exiting the highway for the duration of the turnaround.

We have cancelled our additional compressor install at our existing 11-36-72-08W6 oil battery this summer. 11-36 is 3.2 kms east of Hwy 724 on Twp Rd 725. Then north 1.2 kms on RR 81.

Pipeline cleanup will continue on various ROW's this spring.

Update from WASP Board:

This was definitely not what we expected when we last met in March and started to plan to host another Open House for the Community in June. It would have been wonderful to capitalize on the numbers we had out to our February meeting.

We hope that you are all keeping well and healthy and that we can get together soon for a regular meeting. We look forward to the opportunity to gather once again to connect, update and support one another through this unprecedented time.