



**Agence canadienne
d'évaluation environnementale**

**Canadian Environmental
Assessment Agency**

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DATE: July 11, 2007

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SUBJECT/OBJET: Deep Panuke CSR – Public Comment

Eric,

Comment from Kevin McAllister is enclosed.

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*Environmental assessment ...
Before you decide*



*L'évaluation environnementale d'abord ...
la décision ensuite*

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July 8, 2007

Paul Schafer, Project Analyst

Canadian Environmental Assessment Agency
160 Elgin Street, 22nd Floor, Ottawa, ON K1A 0H3

From: Kevin McAllister
P.O. Box 14
Sherbrooke, N.S.
B0J-3C0
Tel: (902) 522-2696
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klmc@ms.sympatico.ca

Dear Mr. Schafer

Re: COMMENTS ON COMPREHENSIVE STUDY REPORT FOR DEEP PANUKE.

I am writing to express my deep concerns regarding the total lack of information EnCana has supplied in its Report in dealing with Mineral Exploration Licences. Their offshore and onshore pipeline route will extinguish my rights and interests leaving my licence which I have held for over thirteen years worthless in the proposed Pipeline Corridor. The offshore area of my licence where very promising alluvial gold deposits are known to exist will be directly in the path of their proposed route. The onshore area of my gold claims are in the Issac Harbour gold district where gold mining has been carried on profitably since 1862.

EnCana being in the exploration business I believe is fully aware of the disastrous affect its project will have on my gold claims but has chosen to ignore key stakeholders in the community by not stating in clear terms what mitigation and commitments they would make regarding Mineral Exploration Licence holders that are negatively affected by their pipeline and infrastructure.

In their Comprehensive Study Report EnCana references Ocean Users completely ignoring the offshore portion of my Exploration Licence. In 2003 I was named as an Intervenor for their original project but EnCana called a time out before any of my concerns had been addressed leaving the issues unresolved.

I was also shocked after reading the report that in Section (6.1.1) page 99 that EnCANA acknowledges written comments were made by Greyhawk Ridge Minerals and myself Mr. Kevin McAllister, stating that Public concerns raised during the Public Process are summarized in Appendices C and D. After reviewing the appendices the report makes no references to our public comments and once again ignores the issues stated by Key Stakeholders in their project.

The report also references in Section (8.1.3) Geology and Soils stating (The GSC Further Indicates that bedrock and surficial materials in the Goldboro area contain naturally Elevated levels of arsenic associated with the abundant arsenopyrite in the mineralized Rocks throughout the Goldboro gold district. Bedrock and surficial materials exposed During blasting and excavation may therefore contain high levels of reactive arsenopyrite Bearing rock and must be disposed of in a manner that does not lead to accelerated Leaching and release of arsenic.)

What the previous paragraph by EnCana fails to mention is that the Arsenopyrite Bearing Rock which they intend to dispose of is what carries the bulk of the gold and is strictly Protected under.

The NATIONAL ENERGY BOARD ACT. Section 80 of the Act reads (A COMPANY IS NOT, UNLESS THEY HAVE BEEN EXPRESSLY PURCHASED ENTITLED TO MINES, ORES, METALS, COAL, SLATE, OIL, GAS OR OTHER MINERALS IN OR UNDER LANDS PURCHASED BY IT, OR TAKEN BY IT UNDER COMPULSORY POWERS GIVEN TO IT BY THIS ACT, EXCEPT ONLY THE PARTS THEREOF THAT ARE NECESSARY TO BE DUG, CARRIED AWAY OR USED IN THE CONSTRUCTION OF THE WORKS, AND EXCEPT AS PROVIDED IN THIS SECTION, ALL SUCH MINES AND MINERALS SHALL BE DEEMED TO BE EXCEPTED FROM THE COVEYANCE OF THE LANDS, UNLESS THEY BEEN EXPRESSLY INCLUDED THEREIN AND CONVEYED THEREBY.

EnCana I believe if allowed will be breaking numerous ACTS and Regulations regarding Mineral Exploration Licences which were put in place to protect Exploration Licence Holders including themselves and therefore should not be granted any necessary approvals Until they have complied with all Provincial and Federal regulations regarding Mineral Rights.

I thank the RA for their time concerning this matter and should you have any questions Please contact me at anytime.

Yours Truly

Kevin McAllister

I am sending a map and a few reference pages for your review. My exploration licence was previously sent with my written comments.

NEB Pipeline Act

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Protection of mines

79. No company shall, without the authority of the Board, locate the line of its proposed pipeline, or construct the pipeline or portion thereof, so as to obstruct or interfere with or injuriously affect the working of or the access or exit to a mine then open, or for the opening of which preparations are, at the time of the location, being lawfully and openly made.

Protection of pipeline from mining operations

81. (1) No person shall work or prospect for mines or minerals lying under a pipeline or any of the works connected therewith, or within forty metres therefrom, until leave therefor has been obtained from the Board.

Definition of "owner"

86. In sections 86 to 107, "owner" means any person who is entitled to compensation under section 76.

Methods of acquisition

89. (1) Subject to subsection (2), a company may acquire lands for a pipeline under a land acquisition agreement entered into between the company and the owner of the lands or, in the absence of such an agreement, in accordance with this Part.

Form of agreement

(2) A company may not acquire lands for a pipeline under a land acquisition agreement unless the agreement includes provision for

(a) compensation for the acquisition of lands to be made, at the option of the owner of the lands, by one lump sum payment or by annual or periodic payments of equal or different amounts over a period of time;

(b) review every five years of the amount of any compensation payable in respect of which annual or other periodic payments have been selected;

(c) compensation for all damages suffered as a result of the operations of the company;

87. (1) When a company has determined the lands that may be required for the purposes of a section or part of a pipeline, the company shall serve a notice on all owners of the lands, in so far as they can be ascertained, which notice shall set out or be accompanied by

(a) a description of the lands of the owner that are required by the company for that section or part;

(b) details of the compensation offered by the company for the lands required;

(c) a detailed statement made by the company of the value of the lands required in respect of which compensation is offered;

(d) a description of the procedure for approval of the detailed route of the pipeline; and

(e) a description of the procedure available for negotiation and arbitration under this Part in the event that the owner of the lands and the company are unable to agree on any matter respecting the compensation payable.

Where agreement
void

(2) Where a land acquisition agreement referred to in section 89 is entered into with an owner

Mines protected

27 A company must not locate or construct its pipeline or a part of it, without the commission's authority, so as to obstruct or interfere with or injuriously affect the working of or access or entrance to a mine then opened, or for the opening of which preparations, at the time of the location of its pipeline, are being lawfully and openly made.

Leave required to work mines on right of way

28 (1) An owner, lessee or occupier of mines and minerals lying under a pipeline or works connected with it or within 36 m from it or a greater distance that may be prescribed with respect to a mineral, must not work the mines or minerals until leave has been obtained from the commission on recommendation of the Minister of Employment and Investment, or in the case of oil or gas, leave to do so has been obtained from the commission on recommendation of the Minister of Environment, Lands and Parks.

(2) Despite subsection (1), leave is not required for a well taking oil or gas from land lying under a pipeline or works connected with it if the well is not drilled within 90 m of the pipeline.

(3) On an application for leave to work mines and minerals, the owner, lessee or occupier of the mines and minerals lying under a pipeline or works connected with it must

(a) submit a plan of the portion of the pipeline to be affected, and of the mining works or plant proposed to be constructed or operated which may affect the pipeline, and

(b) give all reasonable and necessary information and details as to the extent and character of the mining works or plant.

(4) The commission may

(a) grant the application on the terms for the protection and safety of the public the commission believes expedient, and

(b) order that other works be executed or measures taken that the commission believes best adapted to remove or diminish the danger arising or likely to arise from mining operations.

End of right of way defined

29 The right of way of a pipeline must end at a line drawn parallel to

(m) "licence" means an exploration licence or special licence;

(n) "licensee" means the holder of an exploration licence or a special licence;

(o) to (q) repealed 1999 (2nd Sess.), c. 12, s. 2.

✓ **(r) "mine" does not include bulk sampling but does include**

(i) an opening upon, or excavation in, or working of, the ground for the purpose of mining, opening up or proving a mineral, gypsum, limestone or mineral-bearing substance,

✓ **(ii) an ore body, mineral deposit, stratum, soil, rock, stone, bed or earth, clay, sand, gravel or place where mining is being or may be carried on,**

(iii) the ways, works, machinery, plant, bunkhouses, cook-houses, latrines, wash-houses and other buildings, structures and roadways below or above ground belonging to or used in connection with a mine, and

✓ **(iv) a quarry, excavation or opening in the ground made for the purpose of searching for, or removal of, a mineral, gypsum, limestone or mineral-bearing substance that, for the purpose of this Act, is taken as such;**

(s) "mineral" means a natural solid inorganic or fossilized organic substance and a substance prescribed to be a mineral, but does not include

(i) ordinary stone, building stone or construction stone,

(ii) sand, gravel, peat, peat moss or ordinary soil,

(iii) gypsum,

(iv) limestone, except that which is vested in the Crown, and

(v) oil or natural gas,

unless declared to be a mineral by the Governor in Council;

(sa) "mineral lease" means a mineral lease issued pursuant to Section 56;

- ✓ (t) "mineral right" means a licence or lease;
- ✓ (u) "mineral right holder" means a person whose name appears in the records of the Registrar as having a mineral right;
- ✓ (v) "mining" includes a method of working whereby the soil, earth, rock, stone, mineral, gypsum, limestone or a mineral-bearing substance may be disturbed, whether previously disturbed or not, or removed, washed, sifted, roasted, smelted, refined, crushed, dissolved, precipitated, separated or dealt with for the purpose of obtaining a mineral, gypsum or limestone for sale or barter;

(va) to (x) repealed 1999 (2nd Sess.), c. 12, s. 2.

(y) "Minister" means the Minister of Natural Resources;

(ya) "non-mineral registration" means a registration pursuant to subsection (2) of Section 90;

(z) "officer" includes the Registrar, an engineer, geologist in the public service and a person designated by the Minister to carry out an inspection, investigation or other function pursuant to this Act;

(aa) "peace officer" means a peace officer as defined in the Criminal Code (Canada);

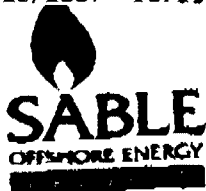
- ✓ 14 (1) No licensee shall disrupt or interfere with any activities performed pursuant to any other right.
- (2) Where the Minister is of the opinion that a licensee is in breach of the requirements of subsection (1), the Minister may, at any time, order the licensee to terminate or modify his exploration program in such manner or to such extent as the Minister may deem necessary.
- (3) Every licensee shall report to the Minister the location of the exploration, the equipment used, and personnel to be employed in the exploration, at such intervals and upon such terms as specified in the license.
- (4) Subject to subsection (5), every licensee shall deliver to the Minister, within sixty days of the end of the term of his exploration license or such greater period as the Minister may allow, copies of all data obtained pursuant to the program of exploration.
- (5) Every licensee shall deliver to the Minister, within six months of the end of the term of his license or such greater period as the Minister may allow, copies of all seismic data and interpretations thereof obtained pursuant to the program of exploration.
- (6) No licensee shall drill a well to a depth greater than ninety metres.
- (7) Every licensee shall notify the Minister of the completion of the exploration program undertaken pursuant to his license.
- 15 Every licensee shall notify the Minister prior to the commencement of a seismic exploration to be undertaken pursuant to his exploration license.
- 16 The Minister may amend an exploration license at the request of the licensee.

Royalties

- 17 It shall be, and shall be deemed to be, a term of every lease that all petroleum produced under the authority of the lease is subject to such royalties payable to the Province in the nature and amount as may be prescribed from time to time.
- 18 (1) Where a lessee consists of two or more interest holders
- (a) each holder is liable for the royalty in respect of the petroleum production imputable to his share;
 - (b) the royalty shall be collected and remitted on behalf of the holders by the representative;
 - (c) the representative shall file such consolidated returns as the Minister directs in respect of each holder liable for royalty; and
 - (d) all the holders shall provide that representative with the information

<http://www.gov.ns.ca/Just/regulations/regs/PR-PetroleumResources.htm>

5/18/2007



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ENERGY FROM BENEATH THE SEA

March 17, 1998

Kevin MacAllister
P.O. Box 165
Sherbrooke, N.S.
B0J - 3C0

Dear Mr. MacAllister:

RE: Easement for lands in Goldboro, Guys. Co.

Enclosed is a notice pursuant to section 87 (1) of the National Energy Board Act for your review. This notice provides information for you as a mineral right holder in the area of our pipeline easement.

If you have any immediate concerns please contact me at (902) 533 - 2047, (collect) or P.O. Box 130 , Guysborough , Nova Scotia, B0H - 1N0

Yours Truly,

Kevin MacDonald
Land Agent, Sable Offshore Energy Inc.