

## 2 **Process Milestones and Schedule**

### 2.1 **Introduction**

This section provides the generic sequence of events for the tie-in of an **acceptance point** to a SemCAMS facility. The Customer is referred to the specific chapters of this document for the key criteria pertaining to each stage.

### 2.2 **Project Stages**

From the standpoint of the **Customer**, the process of connecting to a SemCAMS system or plant can be broken into the 5 basic stages as shown here:

| <b>Stage</b> | <b>Description</b>                               |
|--------------|--|
| 1            | Initial Contact                                  |
| 2            | Commercial and Business Development Negotiations |
| 3            | Design and Installation                          |
| 4            | Commissioning and Start Up                       |
| 5            | Normal Operations                                |

In each of these stages there is a need for open lines of communication between the **Customer** and the *SemCAMS Field Business Development Supervisor* (refer to section 2.2.2 of this document). In some stages a level of signoff is required by SemCAMS prior to progression to the next stage. This is not intended to hinder the **Customer** but rather to ensure that a level of consistency be maintained throughout gathering systems that SemCAMS is responsible for allocating sales products within. Attention to these details prior to start up should minimize the need for future re-work of allocation and costly production outages to revise equipment to meet the required standards.

The generic details of each stage are included in this section of the document. **Specific requirements for each stage are provided in the other chapters of this document.**

## 2.2.1 Stage 1 - Initial Contact

This stage is considered the kick-off stage for a potential acceptance point tie-in. Preliminary information is gathered but the Customer may still be assessing the economics of production or considering alternate gathering and processing avenues.

This section provides the **Customer** the details of information required by SemCAMS to commence initial planning to determine the potential for the **Customer** to connect to one of the SemCAMS facilities. It also provides the **Customer** with contact information for the key field business development personnel for each of the processing facilities that SemCAMS operates.

| Responsible              | Event Trigger                          | Action (s)  |
|--------------------------|--|---|
| Customers Representative | Well discovery or re-direct            | <ul style="list-style-type: none"> <li>Complete SemCAMS “<b>New Well Kick Off Form</b>” (Form #101) and fax or email completed form to appropriate SemCAMS Field Business Development Supervisor (see Table 2-1). Copies of form are included in Appendix A of this document.</li> </ul>          |
| Customers Representative | Confirmation of facility/well approval | <ul style="list-style-type: none"> <li>Complete SemCAMS “<b>Customer New Well/Facility Form</b>” (Form #102) and fax or email completed form to appropriate SemCAMS Field Business Development Supervisor (see Table 2-1). Copies of form are included in Appendix A of this document.</li> </ul> |

### 2.2.1.1 Contact Information

Table 2-1 provides the information necessary to enable the Customer to establish contact with SemCAMS Alberta Midstream personnel for the purpose of initiating a new tie-in.

**Table 2-1 Contact Information**

| Area                                    | Address                               | Contact  | Telephone / Cell / Fax Number                          |
|---|---------------------------------------|--|--|
| Well Tie-in all areas/Field Measurement | P.O. Box 6328<br>Edson, AB<br>T7E 1T8 | <b>Troy Tattersall</b> – Field Business Development Supervisor<br><i>Troy.tattersall@semcams.com</i> | (780) 725-4008 /<br>(780) 712-5867 /<br>(780) 723-3260 |
|   | P.O. Box 6328<br>Edson, AB<br>T7E 1T8 | <b>Alternate Contacts:</b><br>Randy Parker – Field Measurement<br><i>Randy.parker@semcams.com</i>    | (780) 725-4006/<br>(780) 723-0649/<br>(780) 723-3260   |
|   | P.O. Box 6328<br>Edson, AB<br>T7E 1T8 | Stan Pierog – Field Measurement<br><i>Stan.pierog@semcams.com</i>                                    | (780) 725-4007/<br>(780) 728-5833/<br>(780) 723-3260   |

## 2.2.2 Stage 2 - Commercial and Business Development Negotiations

**Prerequisite** – All aspects of stage 1 must be completed prior to the kick off of this stage.

This section provides the **Customer** with key details pertaining to requirements that must be met with regard to agreements and contracts. The SemCAMS Field Business Development Supervisor will provide the required contact names for other SemCAMS representatives as required.

The following are the basic contract requirements for each standard<sup>1</sup> entity:

- For **Measured Well Head acceptance points**, each working interest owner must have a *transportation agreement* in place for **all** SemCAMS and third party pipelines the production will be flow lined through.
- For **Measured Well Head acceptance points**, each working interest owner must have a *processing agreement* in place for the SemCAMS facility that will process the gathered products.
- For **Custody Group Allocation** and **Prorated Group Allocation acceptance points** each working interest owner for each well **upstream** of the acceptance point must have a *transportation agreement* in place for **all** SemCAMS and third party pipelines the production will be flow lined through.
- For **Custody Group Allocation** and **Prorated Group Allocation acceptance points**, each working interest owner for each well **upstream** of the acceptance point must have a *processing agreement* in place for the SemCAMS facility that will process the gathered products.
- Appropriate road use agreements are in place.

Other areas to be considered during this stage and prior to construction include:

- If pipeline being connected to can re-route production to an alternate system / plant than all of the contracts listed above **must also be in place for the alternate system / plant.**
- Source of fuel for proposed entity and agreements in place to cover?
- Marketing agreements in place for each working interest owner for the saleable products (outlet of gas plant)?
- Water handling and disposal agreements in place?
- Cathodic protection requirements (refer to section 3 of this document).

**All contracts must be signed and in place prior to startup.**

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<sup>1</sup> A “standard” entity would include a well or acceptance point with only one delivery pipeline connected to it. If there is a potential that production can split and/or re-route to alternate facilities for gathering or fuel supply than SemCAMS needs to be advised of this during this stage.

### 2.2.3 **Stage 3 - Design and Installation**

This stage involves the design and physical construction of the **acceptance point** facility. The majority of stage 2 should be complete prior to this stage. This section provides the **Customer** with the expectations that must be met for the appropriate design and installation of the **acceptance point**.

**A SemCAMS representative must be included in a design review meeting prior to construction.** SemCAMS encourages the **Customer** to work proactively with the relevant *SemCAMS Field Business Development Supervisor* during this stage.

### 2.2.4 **Stage 4 - Commissioning and Startup**

During or immediately following this stage, SemCAMS reserves the right to conduct an inspection of the **Customer's acceptance point** facility. Any major deficiencies identified during the inspection must be corrected by the **Customer** within the specified time frame. Failure to do so will result in **shut in of the acceptance point**.

**NOTE:** SemCAMS will not typically grant approval for a facility startup during the last 5 days of a calendar month. This is done to avoid any potential issues pertaining to reporting and allocation for the closing of the production month.

### 2.2.5 **Stage 5 – Normal Operations**

This stage begins immediately following start up of the **acceptance point**. During this phase, SemCAMS reserves the right to conduct site inspections to ensure compliance with this process upon appropriate notification.