

CHINNECK LAW
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May 20, 2011

File #11-616

By Email – boardsec@ontarioenergyboard.ca

By Fax – 1-416-440-7656

By Regular Mail (2 copies)

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
P.O. Box 2319, 26th Floor
2300 Yonge Street
Toronto, Ontario
M4P 1E4

Dear Ms. Walli:

Re: Letter of Intervention
EB-2011-0076, EB-2011-0077, EB-2011-0078

We act for McKinley Farms Ltd. (hereinafter "**McKinley**" or "**Intervenor**").

Further to the notice of proceedings dated May 10th, 2011 in these matters, please accept this letter as an application for:

- (a) Intervenor status in the referenced matters by the Intervenor in accordance with OEB Rule of Practice and Procedure 23, and
- (b) Eligibility for an award of costs in accordance with the OEB Practice Direction on Costs.

Please be advised as follows:

(a) Intervenor's Interest in Proceeding and Grounds

McKinley is the registered owner of lands (the "**Lands**") which overlie 76.441% of the Stanley Reef, and as such the Intervenor is a "person with an interest in lands affected by the process" and the Intervenor wishes to ensure that its rights are respected, and that it is treated fairly by the Applicants.

(b) Nature and Scope of Participation

The Intervenor intends to participate fully in the referenced Applications including submitting evidence, interrogatories and arguments and by cross-examining witnesses to:

- (i) ensure its rights are respected; and
- (ii) ensure the Pipeline has capacity sufficient to service the Stanley Reef in every eventuality and to ensure that it will be safe and safely operated; and
- (iii) to consent to the designation of the Stanley Pool, if it is in the public interest to do so and to review the filed evidence and make enquiries of the Applicants to ensure that it is in the public interest to designate the same; and
- (iv)
 - (a) to challenge the Applicants' right to apply for authority to inject, store and withdraw gas from the Stanley Reef given that in 2009 the Ontario Court of Justice declared the Applicants' oil and gas lease and gas storage lease over the Lands to be terminated and vacated, and given that the Ontario Court of Appeal did not overturn the finding below that Tribute's gas storage lease was terminated, and given that an independent company holds the only valid gas storage lease on the Lands (which by the Unit Agreement overlie 76.441% of the Stanley Reef) leaving the Applicants, at best, with leases over less than 24% of the Stanley Reef, and to oppose such applications; and
 - (b) if unsuccessful to seek fair and proper compensation for its rights; and
 - (c) to ensure proper compensation for residual gas; and
 - (d) to ensure that operations are conducted safely; and
 - (e) to ensure that the water supply is and will be properly protected; and
 - (f) to ensure that provisions are in place to protect the Lands environmentally; and
 - (g) to ensure that adequate insurance is in place, including environmental; and
 - (h) to ensure that fair and proper rules are in place to govern the access and use of the Lands by the Applicants, including but not limited to fencing, gates, access times, road and wellhead locations and dimensions, weed control, noise, proximity to residences and agricultural structures.

(c) Request for Written Evidence

The Intervenor requests copies of written evidence.

(d) Cost Award

The Intervenor intends to seek an award of costs. The Intervenor submits that it is eligible for an award of costs because it is "a person with an interest in land that is affected by the process" in accordance with Section 3.03 of the OEB Practice Direction on Cost Awards and because the Intervenor intends its intervention to be of assistance to the Board in making fair and equitable determination that are in the best interests of the public and the parties.

(e) French Language

Not applicable.

(f) Contact Information for Intervenor


- (i) Al Corneil
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Email: acorneil@ttc.on.ca
- (ii) Jed M. Chinneck – Counsel
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(g) Request for Oral Hearing

The Intervenor requests an oral hearing.

All of which is respectfully submitted.

Yours very truly,
Chinneck Law
Professional Corporation


Jed M. Chinneck
LLB and B.Sc. (Honours Geology)
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cc: See attached list

APPLICANT

Tribute Resources Inc.

Rep. and Address for Service

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APPLICANT COUNSEL

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**MINISTRY OF NATURAL
RESOURCES**

Petroleum Resources Centre
Ministry of Natural Resources
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INTERVENORS

Union Gas Limited

Rep. and Address for Service

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N7M 5M1

Attention: Mr. Mark Murray, Manager
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Zurich Landowners Association Zurich Landowners Association
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Attention: Ms. Heather Redick,
 Chair, Executive Committee
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