



Memorandum of Agreement

between

SADDLE HILLS COUNTY

RR 1

Spirit River, Alberta

T0H 3G0

and

COMPANY

COMPANY ADDRESS

Please Note: This Memorandum of Agreement expires on December 31, 2016

This Memorandum of Agreement signifies the intent of the parties to work together in the spirit of collaboration and cooperation.

Purpose

The purpose of this Memorandum of Agreement is to avoid or mitigate damage to the County's roads and appurtenances caused by the movement of industrial vehicles and equipment.

SADDLE HILLS COUNTY and **COMPANY NAME** agree to:

1.0 Notification

- (a) Notify each other regarding the use of roads and appurtenances within the County for the purpose of moving vehicles and equipment associated with industry activities
- (b) Provide written notification to one another and
- (c) Respond to such notification within two business days

2.0 Inspection and Monitoring

- (a) Monitor the use of identified roads and
- (b) Whenever possible, jointly inspect the condition of roads used by industry on an as needed basis

3.0 Damages

- (a) Hold accountable those companies that have caused damage to the County’s roads and appurtenances and
- (b) Ensure that if such damages occur they are repaired within five working days of notification

4.0 Restrictions

- (a) Impose and accept restrictions on the movement of industry vehicles and equipment when road conditions warrant and
- (b) The relaxation of such restrictions, when appropriate, subject to the payment of security to the County

5.0 Security

- (a) The posting of security when restrictions are relaxed at the request of the company and
- (b) Refund such security if no damages to the County roads or appurtenances result from the movement of the company’s vehicles and equipment or
- (c) Refund such security once damages are repaired by the oil and gas company

6.0 Emergencies

- (a) Take immediate and all action necessary to ensure public safety or preserve the environment

7.0 Legal Agreement

- (a) Embody the spirit and intent of this Memorandum of Agreement when the County and a company enter into an actual legal agreement regarding the use of County roads and appurtenances
- (b) Once a site specific Road Maintenance Agreement is signed by both parties, it will form part of this agreement.

The undersigned duly authorized representatives of SADDLE HILLS COUNTY and **COMPANY NAME** respectively have agreed to participate in partnership in accordance with this Memorandum of Agreement:

For: **SADDLE HILLS COUNTY**
Eugene Tobin – Director of Engineering & Infrastructure

DATE

For: **COMPANY**

DATE

SCHEDULE "A"
(To be completed by the Company or Company's Designated Contractor)

NOTIFICATION FORM

(This Notification when completed and duly signed is made pursuant to, and is governed by, the *Road Notification and Repair Agreement* between the Municipality and the Company dated _____)

Municipality: SADDLE HILLS COUNTY

Company: COMPANY NAME

Well site: _____

Company Contact:

Phone: _____

Designated Contractor Contact: _____

Phone: _____

Cell: _____

Fax: _____

Details of Roads to be used (attach sketch or map)

Estimate of Loads to be transported and relevant dates

(E.g. estimate of the maximum number of loads and estimate of maximum weights and dimensions of the loads, and dates on which loads will be moved)

Provincial Permit# _____ (copy attached)

Axle Weight Allowance: _____ 100% _____

Dated: _____

Signed: _____

Authorized Company Representative or Designated Contractor Representative

SCHEDULE "B"
(Completed by the Municipality)

RESTRICTIONS AND RELAXATIONS NOTICE

(This Notice when completed and duly signed is made pursuant to, and is governed by, the *Road Notification and Repair Agreement* executed between Saddle Hills County, and **COMPANY NAME** dated _____, 201__)

The provisions under this Schedule "B" shall not override Provincial regulations. The exceeding of legal load limits is not permitted by the Municipality.

Municipality: Saddle Hills County

Company: **COMPANY NAME** **Well site:** -W6M

Company Contact: _____ **Phone:** _____

Company Contact Email: _____

Designated Contact: _____

Phone: _____ **Cell:** _____ **Email:** _____

Details of Roads to be used (attach sketch or map)

Estimate of Loads to be transported and relevant dates
(E.g. estimate of the maximum number of loads and estimate of maximum weights and dimensions of the loads, and dates on which loads will be moved)

Provincial Permit# _____

Axle Weight Allowance: _____ 100% _____

SCHEDULE "B" (continued)

A. Details of prohibitions, limitations, conditions or restrictions, i.e.

B. Details of Relaxations

C. Security Required: \$

Dated: _____

Signed: _____
Authorized Municipal Representative

ACCEPTED AND AGREED TO this ____ day of _____, 201_

Company: _____

Signed: _____
Authorized Company Representative

SCHEDULE "C"

(To be completed by the Municipality and signed by authorized representatives of the Municipality and the Company or its Designated Contractor)

INSPECTION DOCUMENT

DATE: _____

MUNICIPALITY: **SADDLE HILLS COUNTY**

AUTHORIZED REPRESENTATIVE: _____

COMPANY: **COMPANY NAME**

AUTHORIZED REPRESENTATIVE: _____

AGREEMENT NO: _____

SECURITY: IN PLACE: _____ REQUIRED: _____ AMOUNT: \$ _____

INSPECTION: PRE: _____ POST: _____ INTERIM: _____ NUMBER: _____

ROAD BANS: NO: _____ YES: _____ % AXLE: _____

WEATHER (At Time of Inspection): _____

CURRENT LOCAL CONDITIONS (i.e. Wet/Frozen): _____

INSPECTION DETAILS:

A) ROAD SURFACE TYPE: _____

ROADS TO BE USED: _____

	GOOD	BAD	N/A	LOCATION / COMMENTS
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B) ROAD SURFACE CONDITIONS: _____

C) SIGNS: _____

D) CULVERTS: _____

E) APPROACHES: _____

F) DUST CONTROL: NOT REQUIRED: _____ REQUIRED: _____ TYPE: _____

G) OTHER REQUIREMENTS: (i.e. Grading, Gravel, Signage, Time Restrictions)

H) REMEDIAL WORK REQUIRED (If Interim or Post)

PICTURES TAKEN: YES: _____ NO: _____

COMMENTS:

COMPANY: _____

MUNICIPALITY: _____

INITIALS: COMPANY _____ MUNICIPALITY _____

Copy provided to Company YES: _____ NO: _____

(NOTE: In the event that the Company elects not to participate in an Inspection, this form, once signed by the authorized representative of the Municipality, will be considered a valid "Inspection Form" for the purposes of this Agreement.)

SCHEDULE "D"

SECURITY DRAW DOWN PROVISIONS

The Municipality may draw upon all or part of any Security required by this Agreement to complete repairs and to recover all costs (including legal) incurred by the Municipality in the event of any one of the following:

1. The Company fails to complete required repairs within 5 business days of being notified by the Municipality of the need for such repairs.
2. The Company fails to complete repairs to the satisfaction of the Municipality within 2 business days of being notified by the Municipality of deficiencies in repairs previously required by the Municipality under 1 above.
3. Damage attributable to the Company has been rectified by the Municipality in accordance with the provisions of this Agreement and the Company has failed to pay the costs of such rectification within 15 business days after receipt of an invoice for the work from the Municipality.
4. Emergency repair work has been completed by the Municipality to rectify damage attributable to the Company in accordance with the provisions of this Agreement and the Company has failed to pay the cost of such emergency repairs within 15 business days after receipt of an invoice for the work from the Municipality.
5. The Security to be provided by the Company pursuant to this Agreement is due to expire within a period of 30 days and the Company is still operating in the Municipality under the terms of this Agreement, has not provided notification of cancellation of this Agreement and has not deposited a renewal or replacement of such Security in terms and form acceptable to the Municipality.

Invoking these draw down provisions shall be authorized by the Chief Administrative Officer of the Municipality, who shall make a reasonable attempt to notify the Company prior to, or concurrent with, taking such action. The Municipality may make demands as payee and beneficiary under the Security. The Municipality may hold the proceeds as security for the performance of the obligations of the Company under this Agreement and the Municipality may use the proceeds to discharge any of the obligations of the Company under this Agreement. After the discharge of all of the obligations of the Company pursuant to this Agreement, any remaining balance shall be returned to the Company within 15 business days. The Municipality shall not charge any administrative fee relating to the holding or draw down of security, nor shall it pay interest on the funds held.

SCHEDULE “E”

Definition of Terms used in this Agreement

“Appurtenance” means:

a sidewalk, ditch, or any type of wall, fence, guardrail, curb, pavement marking, traffic control device, illumination device, mailbox or barrier adjacent to or in, along or on a road, or any construction, obstruction, erection or any situation, arrangement or disposition of any earth, rock, tree or other material or thing adjacent to or in, along or on a road that is not on the travelled portion of the road

“Business Days” means:

Monday to Friday, during normal business hours, excluding statutory holidays

“Company” means:

In the body of this Agreement:

The holder of a license or approval issued by the Alberta Energy and Utilities Board.

For the purposes of Schedules “A” “C” and “D” to this Agreement, the word “Company” may be taken to include a “designated contractor”.

“Continuous haul” means:

Regular, ongoing use of Roads over a defined route and time period by a specified Company, which use is likely to be the major cause of road maintenance requirements or damage relative to other users of the Roads involved

“Designated Contractor” means:

A company or someone hired by a “Company” (as defined herein) to perform work for or on behalf of the Company

“Legal load” means:

- (i) the maximum gross weight that may be borne by a tire, an axle or an axle group of any of them; or
- (ii) the maximum gross weight that may be borne by a public vehicle or combination of public vehicles

on a highway, secondary road, rural road or street and as set out from time to time under the Motor Transport Act and regulations or orders made there under

“Municipality” means:

- (i) a city, town, village, summer village, municipal district or specialized municipality
- (ii) a town under the parks Town Act, or
- (iii) a municipality formed by special Act

“Pipeline” as defined in the Oil and Gas Conservation Act means:

“any pipe or any system or arrangement of pipes wholly within Alberta and whereby oil, gas or synthetic crude oil or water incidental to the drilling for or production of oil, gas or synthetic crude oil is conveyed, and

- (i) includes all property of any kind used for the purpose of, or in connection with, or incidental to, the operation of a pipeline in the gathering, transporting, handling and delivery of oil, gas, synthetic crude oil or water, but
- (ii) does not include any pipe or any system or arrangement of pipes that constitutes a distribution system for the distribution within a community of gas to ultimate consumers.”

“Pipeline” as defined in the Pipeline Act means:

“a pipe used to convey a substance or combination of substances, including installations associated with the pipe, but does not include

- (i) a pipe used to convey water other than water used in connection with a facility, scheme or other matter authorized under the Oil and Gas Conservation Act or the Oil Sands Conservation Act;
- (ii) a pipe used to convey gas, if the pipe is operated at a maximum pressure of 700 kilopascals or less, and is not used to convey gas in connection with a facility, scheme or other matter authorized under the Oil and Gas Conservation Act or the Oil Sands Conservation Act; or
- (iii) a pipe used to convey sewage”.

“Road” means:

a road under the direction , control and management of a municipality, including

- (h) a developed road on which improvements such as grading or surfacing have been made for the purpose of public access and includes any appurtenances, and includes a bridge forming part of a public road and any structure incidental to a public road;
- (ii) an undeveloped surveyed road allowance

“Well drilling” means:

any activity to bore into the earth for the purpose of creating a well. A “well” means an orifice in the ground completed or being drilled

- (i) for the production of oil or gas;
- (ii) for injection to an underground formation;
- (iii) as an evaluation well or test hole; or
- (iv) to or at a depth of more than 150 metres, for any purpose, but does not include one to discover or evaluate a solid inorganic mineral and that does not or will not penetrate a stratum capable of containing a pool or oil sands deposit