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This month I would like to talk about the issue of the politics of seismic and water bodies – both onshore and offshore. This is becoming the battleground for the future work of the oil and gas industries. The ENGO's (Environmental Non-Governmental Organization) are well aware of this and see the shutting down of seismic as the trigger to shut down future oil and gas development. This is a difficult issue for industry to grapple with – seismic tends to operate on the front end and often on its own. We deal with small economics and as such are not well funded for either battles fought in the public, expensive studies, and/or time consuming and money-consuming CEAA processes.

As such we must lobby those who have the most to lose – the Provinces. As such please find following a letter to the effected Premiers in Canada asking them to consider the issue going forward. This will be an issue that includes all of us.

We write this letter to request the assistance from the First Ministers on the issue of Energy development within Canada as it relates to Seismic Exploration. Geophysical Exploration is a vital exploration and development tool that is an absolute necessity for Exploration & Production companies when exploring for oil and gas. In the past few years the Geophysical Exploration Industry has been overwhelmed with growing permit delays, material regulatory cost increases, more frequent requests to fund expensive environmental studies, ever more extensive environmental assessments, as well as replying to a wide range of ENGO (Environmental Non-Governmental Organizations) information requests. The net result of these exercises is we potentially face the elimination of our seismic industry. An example of this comes from the pressure from the ENGO and the Federal DFO (Department of Fisheries and Oceans) as it relates to seismic conducted in water bodies onshore and offshore. These public and private organizations have been successfully furthering their agenda through public perception and the media rather than science. Countless third party research documents and our own extensive research (i.e. GSI – Gulf of St. Lawrence, WesternGeco – Mackenzie Delta) again and again show that no physical damage is caused to fish, crustaceans, or marine mammals through our research activities. Instead the ENGO & DFO cite reports and present pictures of beached whales as representative of the potential damage from seismic but upon closer examination is found to be caused by natural or unknown causes, or the US Military's testing of its SONAR. The rules and regulations as they exist today do not allow industry to use traditional energy sources under frozen water bodies and as of mid 2003 now requires the completion of the CEAA (Canadian Environmental Assessment Agency) process. This process has a significant negative effect on the economics of seismic projects in most cases to date increasing costs 50% and up to 600% and causes the timeframe of the application to change by many months if not years. Soon the endangered species act will provide even more avenues to block seismic activities further.

The issue of Energy security and as an export product within Canada should be protected and is paramount to Canada's economic future. The Geophysical Industry has been the most progressive in terms of advancement with its technology to promote environmental protectionism both onshore and offshore. The Geophysical Industry is the vanguard of the Oil and Gas industry. The entire Oil and Gas industry produces much needed Employment, revenues from Royalties, Lease Sales, and Taxes for the Provincial and Federal Governments.

We must seek a balance between Industry and the Environment. The CAGC is voicing a concern about the direction a Federal Government Body, the Department of Fisheries and Oceans is taking in regards to the energy sector. We are requesting your help to bring about a better solution for the energy industry, government, and Canada as a whole. As we lobby the Federal Government for change we would ask that your provincial governments consider this issue as an important agenda item in your dealings with the Federal government. We, as an Association, would welcome meetings with your government representatives in order to further the dialogue on these issues.

A lot off good work has occurred on this issue. In particular GSI has been a forerunner in dealing with this industry on the east Coast. See their website – under Reports - <http://www.geophysicalservice.com/> - for much of the work they have done both publicly and scientifically. As well WesternGeco has been a front runner in fish studies in the north – the Mackenzie River and also battle the same issues offshore on the East Coast. As the focus shifts westward in 2005 – look for BC to really begin to heat up. This is an issue worth watching develop.

From The Thursday Files:

Strength does not come from winning. Your struggles develop your strengths. When you go through hardships and decide not to surrender, that is strength.

- Arnold Schwarzenegger