



September 21, 2012

Mr. Steve Thomas
Section Leader, In-situ Oil
Sands
Energy Applications Branch
Energy Resources
Conservation Board
Suite 1000, 250 – 5 Street SW
Calgary, AB T2P 0R4

Mr. Amit Banerjee
Regional Approvals Manager
Northern Region
Alberta Environment and
Sustainable Resource
Development
4999 – 98 Avenue
Edmonton, AB T6B 2X3

Ms. Corinne Kristensen
Team Lead
Environmental Assessment
Northern Region
Alberta Environment and
Sustainable Resource
Development
4999 – 98 Avenue
Edmonton, AB T6B 2X3

Dear Sirs & Madam:

**Re: Value Creation Inc. – Advanced TriStar Project
Application and Environmental Impact Assessment**

Value Creation Inc. (VCI) is applying to the Alberta Energy Resources Conservation Board (ERCB) and Alberta Environment and Sustainable Resource Development (AESRD) for Approval of the Advanced TriStar (ATS) Project (the Project). The Project is located approximately 10 km northeast of Fort McMurray in the Athabasca Oil Sands area within Sections 20 to 30, Township 89, Range 8, West of the 4th Meridian on Oil Sands Lease No. 0747401100023.

The Project will be built in three phases, ATS-1, ATS-2 and ATS-3, and when fully built will process 11,924 m³/day (75,000 bpd) of reservoir bitumen using SAGD with VCI's proprietary bitumen processing and upgrading technology. The bitumen will be upgraded to a decontaminated crude oil and blended with some diluent to produce 12,669 m³/day (79,688 bpd) of a premium oil containing no asphaltenes, and named Value Creation Medium crude oil (VC-M). Over the anticipated 25 year life of the Project a number of well pads, borrow pits, access roads and other associated infrastructure will be required to maintain production.

VCI hereby submits this integrated application to the ERCB and AESRD.

With this application VCI is seeking the following from the ERCB:

- approval to construct facilities for a scheme or operation for the recovery of oil sands or crude bitumen under Section 10 of the *Oil Sands Conservation Act*;
- approval to construct or operate a processing plant under Section 11 of the *Oil Sands Conservation Act*; and
- an industrial development permit under Section 12 of the *Oil Sands Conservation Act*.

In accordance with the *Guide to Preparing Environmental Impacts Assessment Reports in Alberta* (AENV 2011) the approval applications will be provided as a separate stand-alone volume separate from the EIA. With this application VCI is seeking the following from AESRD:

- approval of the Environmental Impact Assessment (EIA) Report submitted pursuant to Section 50 of the *Alberta Environmental Enhancement and Protection Act* and for a Decision, in due course, by the Director that the Report is complete pursuant to Section 53 of the *Alberta Environmental Enhancement and Protection Act*;

- approval to construct and operate the Project, including facilities to recover and treat bitumen and processed water pursuant to Part 2, Division 2 and Section 63 of the *Alberta Environmental Enhancement and Protection Act*; and
- conservation and reclamation approval, pursuant to Part 2, Division 2 and Part 6 of the *Alberta Environmental Enhancement and Protection Act*, to develop, operate and reclaim the various components of the Project.

Any correspondence regarding this submission should be directed to:

Value Creation Inc.
1100, 635 – 8th Avenue SW
Calgary, AB T2P 3M3

Name: Mr. Bernard Chung, Vice President of Technology, Subsurface Engineering
Phone: (403) 539-4503
Fax: (403) 539-4501
E-Mail: ATS@vctek.com

If you have any questions regarding this information please contact the undersigned at (403) 539-4500.

Sincerely,

Value Creation Inc.

A handwritten signature in black ink that reads "Bernard Chung". The signature is written in a cursive style with a large initial "B" and a horizontal line under the name.

Bernard Chung
VP of Technology, Subsurface Engineering

cc: Sarabpreet Singh, AESRD, EIA Coordinator