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Federal Funding Helps Dene Tha' First Nation Take Historic First Step Into Oil and Gas Drilling Business

EDMONTON, Sept. 19 /CNW/ - The Honourable Robert D. Nault, Minister of Indian Affairs and Northern Development, today announced \$1.96 million in federal funding to assist the Dene Tha' First Nation in northwest Alberta take a historic first step into the oil and gas drilling business through the acquisition of a 50 per cent interest in two oil and gas drilling rigs.

Dene Tha' First Nation, EnCana Corporation and Lakota Drilling Limited Partnership are launching a historic joint venture that will bring jobs, training and expanded business expertise to the Dene Tha' First Nation. Dene Tha' will benefit financially through a 50/50 partnership affiliation with Lakota Drilling Limited in this \$14.9 million project. EnCana Corporation has contracted with the partnership to guarantee 760 drilling days for each of the two rigs over the next four years. These rigs will be utilized in northern Alberta and northeast British Columbia.

"There is strong public support for government investment to help First Nations become self-sufficient," said Minister Nault. "Canadians want to see improvements in the lives of First Nations' people and believe increased and sustained economic development is key to leading to greater First Nations' autonomy. It is also gratifying to see private industry like Lakota Drilling Limited and EnCana Corporation willing to partner in economic development projects with First Nations. This is truly a win-win scenario not only for the parties involved, but for all Canadians."

"This project is very important to our community and members," said Dene Tha' Chief Stephen Didzena. "We are determined to work with industry and government to maximize economic benefits from resource development, while ensuring the protection of our Treaty rights and the enhancement of our traditional ways."

"Enabling the purchase of two rigs is a clear illustration of our concept of capacity building with communities where we have an operating interest. Not only is it a business opportunity on its own, but the purchase also signals the Dene Tha' First Nations's intent to develop on-reserve skills that can be applied throughout the oilpatch. EnCana fully recognizes the potential that Aboriginal communities have toward developing the required manpower skills so needed by our growing industry," said Andy Popko, Vice-President, Aboriginal Affairs, EnCana Corporation, the largest North American-based independent oil and gas company.

"The culmination of this partnership brings the Dene Tha' First Nation into the mainstream of oil and gas development in the Western Canadian Sedimentary Basin," said Elson J. McDougald, President of Lakota Drilling Limited Partnership. "We at Lakota are proud to be the drilling contractor on this deal with EnCana and the Dene Tha' First Nation and feel the attributes of this arrangement should directly benefit the Dene Tha' community and indirectly provide benefits for all of Canada for many years into the future."

Thirty-two new jobs will be created by this project as well as an additional 100 indirect jobs. In addition, Dene Tha' First Nation have already trained approximately 45 First Nation members with the Petroleum Industry Training Service in anticipation of the joint venture with Lakota Drilling Limited and EnCana. The training will provide transferable job skills in the drilling industry beyond this present partnership.

This release is also available on the Internet at <http://www.inac.gc.ca>.

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