

# Salute to Aboriginal Business in Alberta

## Western Lakota Energy Services Inc. spearheads visionary joint ventures with Aboriginal partners

Lakota Drilling, a subsidiary of Western Lakota Energy Services Inc. (WLE), was formed in the spring of 2001 by a group of prominent Alberta drilling entrepreneurs. The company promptly built three new telescoping double drilling rigs to meet the 2001/2002 winter drilling season and contracted the rigs to EnCana Corporation for four years to work on their Jean Marie project in the Sierra area of northeastern B.C. beginning in December 2001.

A 50 per cent interest in two of the rigs was acquired by the Dene Tha' First Nation of northern Alberta in the spring of 2002. These rigs are jointly owned by Lakota and the Dene Tha' First Nation, while the third rig was sold to the Metis Nation of Alberta (MNA) in April 2002. Lakota operates and manages the rigs on behalf of the Dene Tha' First Nation and the MNA, employing a number of Aboriginal workers.

Another rig was added to the Lakota/Dene Tha' partnership in the fall of 2002 and is contracted to Apache Canada, drilling in the Zama Lake area of northwestern Alberta.

"From the very beginning, a dialogue was struck between Lakota and the Dene Tha' First Nation for a partnership," said Elson J. McDougald, President of WLE.

In February 2002 a group of Dene Tha' members and Elders visited the rigs on location and stayed at the camp. With the encouragement of EnCana, as well as assistance from Indian and Northern Affairs Canada (INAC), the deal with the Dene Tha' was finalized in April 2002.

"Apache Canada and INAC were instrumental in encouraging the expansion of the partnership to include a third rig. WLE really appreciates the support and contribution of EnCana, Apache and INAC in the formation of these pioneering ventures," said McDougald.

Discussions with the MNA began in the fall of 2001. With the encouragement of EnCana as well as assistance from the Province of Alberta, the agreement with the MNA was finalized in April 2002.



Dene Tha' member Robert Metchooyeah, left, and Elson McDougald discuss oil rig partnership during moose hunt (February 2002)



In keeping with Lakota's policy of creating business and employment opportunities for Aboriginal people, the company currently employs Aboriginal workers in human resources, safety, rig management and crewing. In fact, Lakota Rig 3, which is owned by the MNA, is entirely crewed by Aboriginal workers from the floor hands to the rig manager.

"EnCana's vice president of Aboriginal affairs, Andy Popko, is extremely pleased with the operation of these rigs and considers Lakota a pacesetter for their wells," said McDougald.

Lakota is constructing a fifth rig to be delivered in January 2003. This rig will also operate for EnCana in the Sierra area in northeastern B.C. and discussions have begun with Lakota and another First Nation on a possible joint venture partnership in this rig.

## Unique private security firm – entirely managed and staffed by Aboriginal people

It has been said, in many quarters, that "people are your most valuable resource." The success of United First Nation Corp. is directly related to the quality of security officers that work for them.

United First Nation Corp. is a 100 per cent Aboriginal staffed and managed, independently operated division of United Protection Services Inc. of Edmonton. United First Nation Corp. was built on the concept of mutual respect and loyalty with employees and clients.

The first major event for United First Nation Corp. was in 1996 during the Saskatchewan Indian Winter Games. This event required trained security officers to protect approximately 3,500 athletes and their families, as well as provide security for all facilities during this 10-day event. United First Nation Corp. hired and trained 45 officers from Onion Lake First Nation in Saskatchewan to complete this task.

In 1998, United First Nation Corp. seized an opportunity in the oilfield industry by providing security services for a pipeline construction project and gained valuable experience in this challenging industry. Shortly after, United started a second pipeline job which involved up to 36 security officers for two years. The scope of services included camp security as well as right-of-way patrols.

It soon became apparent that United First Nation Corp. was playing a large and significant role in Aboriginal communities. This role fit well for the projects in which the company was providing security.

United First Nation Corp.'s first objective was to provide entry-level career opportunities to Aboriginal community members in the communities where they were operating.

"The company still has staff from the Aboriginal communities we originally hired from and we have become a stepping stone for those moving into a career in law enforcement," said Earl John, Director of United First Nation Corp.

Several of their employees have become members of the RCMP's Special Student Program as well as the RCMP Aboriginal Cadet Program, while other employees are currently enrolled in Aboriginal policing programs and police studies.

United First Nation Corp. has employed over 200 offi-



United First Nation Corp. employees at G-8 Summit

cers in the last six years from 16 communities in Alberta and Saskatchewan, including Kehewin Cree Nation, Saddle Lake First Nation, Enoch Cree Nation and Bearsapaw, Wesley and Chinkil of the Stoney Tribe, among others.

The next step was to involve and encourage Aboriginal companies and communities to participate with United First Nation Corp. through joint venturing on specific projects. This approach became a success as well. The Aboriginal joint venture partners became more involved in the operations and became exposed to direct involvement with the clients.

Some of these joint venture partners included the Cold Lake First Nations, Frog Lake First Nation, Metis Delta Contractors, Chipewyan Prairie First Nation, Vic's Construction of Kehewin Cree Nation and the Onion Lake First Nation of Saskatchewan.

As a leader in Aboriginal-based private protection, United First Nation Corp., together with United Protection Services Inc., has developed a client base that includes EnCana, Imperial Oil Limited, TransMountain Pipelines Ltd., Enbridge Pipeline and Nexen Petroleum Canada, among others.

United First Nation Corp.'s most recent achievement was organizing and providing training of 100 Aboriginal security officers through the Security Officer Career College and then hiring them to protect over 1,500 square kilometres of land for the Stoney Tribe administration during the 2002 G-8 Summit held in Kanaskas, Alberta.

"Our future is in our employees," said John. It is a bright future, indeed, with growth opportunities in all four directions of the winds.



## EnCana Corporation - building trust and positive relationships

For EnCana Corporation, building trust and positive working relationships is the only way of doing business with First Nations people.

"You respect their lands, you respect their culture and you find ways to work with them," said Andy Popko, EnCana vice president of Aboriginal affairs. "If you help people help themselves, you are creating a legacy. It's a hand up, not a handout. It's not charity, it's business."

One of the world's leading independent oil and gas firms active in exploration, production and marketing, Calgary-based EnCana Corporation also takes a leadership role in its dealings with Aboriginal people throughout western Canada, Alaska and the Northwest Territories.

"Our industry is growing and we just don't have the skill sets and manpower that's really required to meet our needs. By working with the Aboriginal community, you are creating some relief for that stress. It's a mutually beneficial relationship," said Popko, who has been dealing with Aboriginal communities for eight years and now works with more than 70 First Nation groups across western Canada and the north.

As part of EnCana's work with the Aboriginal community, the company has established a wide range of educational, training and business development programs. Among them is an agreement pioneered in 2001 by EnCana's predecessor, Alberta Energy Company Ltd. (AEC). It was a first in Canada when AEC brought together four northeastern Alberta First Nations to jointly own and operate a new drilling rig with Precision Drilling Corporation.

Intended to offer jobs, training and expanded business expertise for the Kehewin, Frog Lake, Cold Lake and Heart Lake First Nations, the venture laid the groundwork for oilfield training and establishing new drilling jobs, with

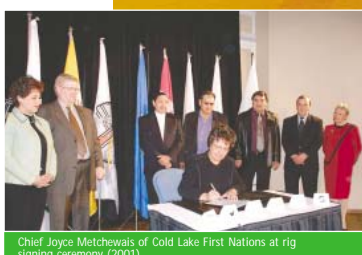
a guaranteed minimum of 1,000 drilling days for the First Nation-owned rig. The first classes saw 52 students graduate and young people are continuing to take the program. The rig is up and running on EnCana lands as part of

the company's exploration program and is operated by Aboriginal workers along with Precision employees who are involved in hands-on training.

That first deal was followed by a similar agreement last June, put together by Lakota Drilling and EnCana and involving the Dene Tha' First Nation, Saddle Lake First Nation and the Metis Nation of Alberta. Under the agreement, Dene Tha' First Nation took 50 per cent of two rigs, the Metis Nation of Alberta took 100 per cent of another drilling rig and Saddle Lake First Nation took a fourth rig.

Ownership of the four rigs, held by Lakota Drilling, will transfer to the First Nation and Metis groups and the rigs will be managed by Lakota Drilling. As part of the rig deal, EnCana made a minimum four-year drilling commitment at competitive rates.

Another EnCana program includes working with First Nations to set up their own businesses to meet the needs of drilling and exploration programs. "If you help them economically, they are developing skill sets that can be transferred not only to EnCana, but also to other companies that may be exploring in the area," said Popko.



Chief Joyce Metchewals of Cold Lake First Nations at rig signing ceremony (2001)

## INTRODUCING THE THREE NOMINEES FOR THE INAC/AWPI ABORIGINAL RELATIONS – BEST PRACTICE AWARD OF DISTINCTION

In conjunction with the Alberta Business Awards of Distinction, organized by the Alberta Chambers of Commerce, it is the pleasure of the department of Indian and Northern Affairs Canada (INAC) to salute Aboriginal business in Alberta and the nominees for the two awards sponsored by INAC, Alberta Region.

On this page, we profile the three nominees for the INAC/Aboriginal Workforce Participation Initiative (AWPI) Aboriginal Relations – Best Practice Award of Distinction.

This award recognizes businesses that demonstrate outstanding achievements in partnering with Aboriginal business, particularly in the areas of employment and training. This year there are three nominees: Western Lakota Energy Services Inc., EnCana Corporation and United Protection Services Inc.

Please take the time to read about all of these outstanding businesses and join INAC in wishing this year's nominees the best of luck at the awards gala tomorrow evening, February 19, at the Shaw Conference Centre in Edmonton.

For more information on Aboriginal economic development, please visit our web site at: [www.inac-ainc.gc.ca](http://www.inac-ainc.gc.ca) or Telephone: (780) 495-7495

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## Siksika Nation explores oil and gas industry

In a few short years, Siksika Nation is quickly becoming an old hand in the oil and gas business. Siksika Energy Resources Corporation (SERC), one of nine companies owned by the Nation under Siksika Resource Developments Limited, is a junior oil and gas company that has been around since 1995.

Located in the heart of oil and gas country in southern Alberta, Siksika Nation, early in 1995, completed a comprehensive feasibility study of its hydrocarbon resources. The study concluded that the Nation would benefit from its own oil and gas company.

In December 1995, SERC was established with one goal in mind: to actively explore and develop its resources while strategically partnering with established companies.

"SERC symbolizes a First Nation striving for greater control of its natural resources," said Clement Doore, Chief Executive Officer. "And we realize that in order to do this, we have to work in cooperation with other companies."

In 1996, SERC negotiated its first agreement which increased the Nation's revenues without affecting the cash flow of its operating partner. In 1998, SERC went on to develop working interests in several producing wells.

But SERC really got on its feet in 1999 when it participated in the drilling of four successful gas wells with Newport Petroleum (now Hunt Oil). Building on this success, SERC actively developed business opportunities with several oil and gas companies. One of these was a joint venture agreement with Response Energy at a 25 per cent working interest share. This partnership resulted in the drilling of five gas wells and one oil well.

Most recently, SERC partnered with AltaGas. Going beyond exploration

Siksika oil and gas operations are evident throughout southern Alberta



and development of natural resources, this allowed SERC to process the hydrocarbons and deliver them to the market. Its joint venture with BURNCO Rock Products is also similar in that SERC is involved in the production and marketing of mineral aggregate.

"SERC hopes to continue pursuing opportunities where we can become involved in almost every aspect of the industry," said Doore. "But this alone does not account for all of the company's successes. In fact, developing a strong relationship with our partners and acquiring expertise and knowledge are key to the fundamental success of SERC."

And, of course, the company takes great pride in hiring some of its own members.

"Employing people from Siksika Nation gives us a sense of pride," said Doore. "That way, we run a company that members can touch and feel for themselves."

The company also takes pride in the fact that it is operating without debt. "SERC had a positive cash flow of up to \$6 million in the past year and oil and gas reserves estimated at almost \$20 million," said Doore.

At this rate, it looks like SERC will be around for many years to come.



## INTRODUCING THE THREE NOMINEES FOR THE EAGLE FEATHER BUSINESS AWARD OF DISTINCTION



In conjunction with the Alberta Business Awards of Distinction, organized by the Alberta Chambers of Commerce, it is the pleasure of the department of Indian and Northern Affairs Canada (INAC) to salute Aboriginal business in Alberta and the nominees for the two awards sponsored by INAC, Alberta Region.

On this page, we profile the three nominees for the Eagle Feather Business Award of Distinction, recognizing a First Nation-owned business that demonstrates outstanding achievement and incorporates entrepreneurial and cultural concepts into its operations. This year, there are three nominees: Little Red River Forestry Ltd., Siksika Energy Resources Corporation and Samson Management Limited.

Please take the time to read about these outstanding businesses and join INAC in wishing this year's nominees the best of luck at the awards gala tomorrow evening, February 19, at the Shaw Conference Centre in Edmonton.

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## Communication and community involvement key to success of Little Red River Forestry Ltd.

Little Red River Cree Nation member building winter ice bridge in the Fox Lake area



"The hardest thing about communication is the listening," according to Ron Laframboise, Economic Development Officer for the Little Red River Cree Nation in northern Alberta.

But communication and community consultation are what separate Little Red River Forestry Ltd. from other Aboriginal-owned businesses. Little Red River Forestry, incorporated in 1986 and wholly owned by the Little Red River Cree Nation, has grown from humble beginnings and now manages and has annual cutting rights to 186,000 cubic metres of coniferous and 216,000 cubic metres of deciduous trees in northern Alberta.

However, Laframboise said that Little Red River Forestry's biggest accomplishment over the past three years is the creation of approximately 80 new full-time and seasonal positions in the forestry industry, mostly occupied by members of the Little Red River Cree Nation. The company has entered into a number of contracts with local logging and forestry companies to ensure expanding job creation and business opportunity for First Nation members.

Now, with the forestry program we have in place, members have an opportunity to work in the areas

that they have an interest in, whether it be logging, tree planting, block layouts, Global Information System, stand-tending or forestry management," said Laframboise.

Something that sets Little Red River Forestry apart from other companies is the incorporation of a community communications plan in its operations. The plan provides for meetings with Elders, students and youth, trappers and other community members on a regular basis to discuss the company's annual operating plans.

"This way, the community has an opportunity to discuss their concerns and voice any objections to our logging practices," said Laframboise.

"Our Elders know who we are and what is important to us. Their advice is important to our future. Trapping is also a traditional activity that is important to who we are. Trappers spend time out in the forest and know what is going on. Their information is important to good forestry planning. Treating trappers with respect and consideration is part of our job and youth are our future - our success depends on their involvement and education."

Regular communication between forestry staff and the Little Red River Cree Nation communities allows the company to do a better job of planning the forestry work on its timber cutting area.

By doing a better job, Laframboise points to the following: providing information on forestry activities in the company's cutting area; maintaining cutting rights by meeting Province of Alberta requirements; increasing community participation in forestry employment; protecting places in the forests that are important to the people in the communities; maintaining a healthy environment and a healthy forest and preventing forest fires as well as extinguishing any fires that start.

Laframboise summarizes the company's philosophy in this way: "Little Red River Forestry exists to benefit the Little Red River Cree Nation communities. People in the communities need to be involved and well informed to provide the type of direction to us that will ensure we succeed."

## Samson Cree Nation profits from Samson Management Ltd.'s business management



Maskepoon Automotive Services is one of the many successful projects of Samson Management Ltd.

When entering Samson Cree Nation in central Alberta, one can't help notice the economic growth and the range of goods and services now available to the First Nation community.

Situated across from the Cree Tribal Administration Building is a strip plaza known as the Samson Community Mall. The Peace Hills Trust Company head office and Samson Grocery Store are adjoined by a number of Samson Management Ltd's retail businesses. These include Bear Hills Insurance, IMI Brokerage Company Ltd., Samson Subway, Okeymowik Gas Bar, Cree Convenience and the independently owned Lightning Law Office.

A first glimpse leaves one with the immediate impression of a progressing community.

Nominated for the Eagle Feather Business Award of Distinction, Samson Management Ltd. is a wholly owned subsidiary of Samson Cree Nation - a holding company for the community's equity investments as well as a business management company. The company is an important part of Samson Cree Nation's economic strategy.

Samson Management Ltd. serves as the corporate arm, operating independently and self-sufficiently, with a mandate to maintain the company as a for-profit subsidiary. The corporate office headquarters is situated on the

third floor of the Cree Tribal Administration Building of Samson Cree Nation in Hobbema, Alberta.

The company's mission statement - "to contribute to the growth and prosperity of the Samson Cree Nation by managing the businesses and investments professionally with pride and integrity, while maintaining balance with our traditional and cultural beliefs" - collectively developed by the Board of Directors and the senior management of the company, is key to the company's success.

"Acquiring clear direction and capitalizing on specialized resources with diversified knowledge skills and attributes are critical in a diversified company," said Samson Management Ltd. General Manager Dorothy Simon.

The importance of recruiting industry-specific resources and developing educated and skilled individuals from our own community to take on the growing responsibilities of economic development and business management has never been more evident than today.

Samson Management Ltd. manages the Okeymowik Gas Bar, Roots & Berries Pharmacy, Samson Subway, Samson Cafeteria and Maskepoon Automotive Services. Investments include sole ownership of Peace Hills General Insurance, 50 per cent ownership of Southside Investments Inc. and Bear Hills Insurance, 10 per cent ownership of IMI Brokerage Company Ltd. and sole ownership of an expanded real estate and property management division involved in commercial, agricultural and residential properties.

A large part of Samson Management Ltd's function is creating partner relationships and recruiting and training personnel for its vast array of businesses and investments.

"It is a part of our company's mission to build a workforce for tomorrow by working with the younger generation of the community. We advocate continued education, implement ongoing in-house training and encourage life-long personal development," said Simon.



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