

Via Email

May 2, 2023

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www.aer.ca

Goose Creek Resources Ltd.

Alberta Energy Regulator – Regulatory
Applications Branch

Attention: Craig Dansereau

Attention: Candice Ross, Counsel

Dear Sir and Madam:

RE: Request for Regulatory Appeal by Goose Creek Resources Ltd.
Alberta Energy Regulator – Regulatory Applications Branch (Regulatory Applications)
Licence Transfer Application No.: 1941111
Location: 34-069-06W6
Request for Regulatory Appeal No.: 1941797

The Alberta Energy Regulator (AER) has considered the request of Goose Creek Resources Ltd. (Goose Creek), under section 38 of the *Responsible Energy Development Act* (REDA), for a regulatory appeal of the AER's January 17, 2023, decision to conditionally approve the licence transfer application on the basis that security be paid in the amount of \$232,901.14 (Decision). The AER has reviewed Goose Creek's submissions and the submissions made by Regulatory Applications.

The AER concludes that Goose Creek is eligible to request a regulatory appeal in this matter. Therefore, the request for a Regulatory Appeal is approved.

The applicable provision of REDA in regard to regulatory appeals, section 38, states:

38(1) An eligible person may request a regulatory appeal of an appealable decision by filing a request for regulatory appeal with the Regulator in accordance with the rules.

[emphasis added]

The term “eligible person” is defined in section 36(b)(ii) of REDA to include:

a person who is directly and adversely affected by a decision [made under an energy resource enactment]...

Reasons for Decision

Appealable Decision

The decision to require security is an appealable decision, as the Decision was issued under the *Oil and Gas Conservation Act* (OGCA) without a hearing. Although not expressly referenced in the Decision, the AER's ability to require a licensee to provide a security deposit before approving a transfer of a licence can be found in s. 1.100(2) of the *Oil and Gas Conservation Rules* under the OGCA.

Eligible Person

While Goose Creek does not expressly address whether it is an eligible person in its Request for Regulatory Appeal (RRA), the fact that it is required to pay security as a condition of approval of the transfer is sufficient to conclude that it may be directly and adversely affected by the Decision. The impact of the Decision on Goose Creek appears to be economic; however, a recent decision of the Court of Appeal supports that an economic impact such as the one in this case, may be enough to conclude that there may be a direct and adverse effect.¹

In Accordance with the Rules

The RRA was filed in accordance with the time limits under the Rules. Further, the AER has determined there is no justification to dismiss the regulatory appeal request at this stage, under section 39(4) of the *REDA*.

Sincerely,

<Original signed by>

Michael Brown, P. Eng., M. Eng.
Senior Advisor, Air

¹ *Normtek Radiation Services Ltd v Alberta Environmental Appeal Board*, 2020 ABCA 456

<Original signed by>

Todd Shipman,
Senior Advisor, Induced Seismicity & Geologic
Hazards

<Original signed by>

Patrick Marriott
Senior Advisor, Water