

May 11, 2023

By Email Only

George Gehrke

**Statement of Concern No. 32221**  
**Vesta Energy Ltd. (Vesta)**  
**Application No. 32209877**

Dear George Gehrke:

You are receiving this letter because you filed a statement of concern (SOC) about Application No. 32209877. The Alberta Energy Regulator (AER) has reviewed your SOC, along with the application, and all applicable requirements and other submissions or information about the application. The AER has decided that a hearing is not required to consider the concerns outlined in your SOC.

In our review of your concerns, we considered the following:

- Your concerns around property value and the noted residential development plan are general in nature, and there is insufficient information to determine that you would be negatively affected by the proposed project. Any concerns regarding impacts to a residential development would need to be addressed by Red Deer County.
- The AER notes that Vesta has met the setback requirements for the proposed project. In this case, the setback is 100 m from the well centre to a dwelling. You can find out more about the AER setbacks here: <https://www.aer.ca/providing-information/news-and-resources/enerfaqs-and-fact-sheets/enerfaqs-setbacks>.
- Regarding your concerns around compensation, the AER does not deal with matters relating to compensation as it is outside the AER's jurisdiction.
- Regarding your concern around potential impacts to nearby water sources, Vesta must comply with AER requirements that surface casing be set and cemented to a depth that is intended to protect the

deepest aquifer, as specified in AER *Directive 008: Surface Casing Depth Requirement (Directive 008)*. The AER notes that in addition to AER *Directive 008*, Vesta must follow all other relevant AER Rules and meet AER requirements including those specified in AER *Directive 009: Casing Cementing Minimum Requirements*.

Based on the above, the AER has concluded that it is not necessary to hold a hearing before making a decision on the application. The AER has issued the applied-for licence and this is your notice of that decision. A copy of the licence is attached.

All AER-regulated parties must comply not only with the conditions of their authorizations, but with all of the AER's regulatory requirements. To ensure industry compliance the AER has developed its *Integrated Compliance Assurance Framework*, which embodies the three main components of all effective compliance assurance programs, those being education, prevention, and enforcement. You can find out more about how the AER verifies industry compliance and responds to noncompliance here: <https://aer.ca/regulating-development/compliance/compliance-assurance-program>.

You may file a regulatory appeal on the AER's decision to issue the licence if you meet the criteria within section 36 of the *Responsible Energy Development Act*. Filing instructions and forms are located here: <https://www.aer.ca/regulating-development/project-application/regulatory-appeal-process>.

If you have any questions please contact [SOC@aer.ca](mailto:SOC@aer.ca).

Sincerely,

<Original Signed By>

Lane Peterson  
Director, Oil & Gas Surface  
Regulatory Applications  
/ek

Attachment (6): Licences

cc: Dermot O'Connor, Vesta Energy Ltd.  
Chantelle Warriner, AER  
SOC Inbox, AER  
ADR Inbox, AER  
Field Operations West, AER