



May 17, 2019

DELIVERED VIA EMAIL ONLY

Bonnyville Field Centre
Alberta Energy Regulator
P.O. Box 5169
4903 – 51A Street
Bonnyville, Alberta
T9N 2G4

Attention: **Sean Humphreys, Field Inspector** – Sean.Humphreys@aer.ca
Bonnyville Field Centre – Bonnyville.FieldCentre@aer.ca

**RESPONSE TO ALBERTA ENERGY REGULATOR REQUEST FOR UPDATE
AER DECISION 2018-004 – APPENDIX 2 CONDITIONS**

SURFACE LOCATION:	15-18-063-03W4M
AER FACILITY LICENCE NO.:	50677
FIS NO.:	478723
ENERGY DEVELOPMENT TYPE:	SINGLE WELL RESUMPTION AND EXEMPT SINGLE WELL BATTERY

Canadian Natural Resources Limited (Canadian Natural) received approval at the subject location, 15-18-063-03W4M, from the Alberta Energy Regulator (AER) to resume well operations, by way of converting the existing gas well to a heavy oil well, and construct and operate an exempt single well bitumen battery under AER Hearing Decision 2018-004 issued June 4, 2018. This decision identified several conditions to which Canadian Natural was to adhere to and on April 16, 2019, the AER requested Canadian Natural to confirm its compliance with these conditions; the update request was noted in the closed inspection report FIS No. 478723. Canadian Natural was subject to a field inspection by the AER, registered as FIS No. 478723, on September 4, 2018. This letter serves as the response to the request received via email, and Canadian Natural respectfully requests that it be attached to the referenced Inspection No. to ensure there are no outstanding items related to the inspection.

Condition 1

Canadian Natural must leave a 19 m no-construction zone along the east edge of the lease area, plus a 10 m radial buffer from the base of the leaning tree, in order to leave a minimum 13 m buffer between the tree and construction and operation activities.

Canadian Natural notes that the comments identified in the Inspection Report, dated September 4, 2018, states the following; "It was noted that [Canadian Natural] was following the set-back and construction specific conditions contained in the hearing decision." Further to this, Canadian Natural Operations staff has confirmed that all setbacks from the "leaning tree" were followed during construction as well as to date under current operations.

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Before starting construction, Canadian Natural must hire a professional arborist to assess whether the leaning tree is still alive and share the arborist's findings with the landowner. If the arborist recommends more mitigation measures to protect the tree during construction, such as temporary supports for the tree, Canadian Natural can consider those recommendations before starting construction, but it will not be required to implement them to satisfy this condition.

Canadian Natural confirms that an arborist assessed the tree prior to construction and provided recommendations for the purposes of protecting the tree during the course of construction. The update requested by the AER on April 16, 2019, specifically "...noted that 'the 'leaning tree' appears to have metal supports underneath of it... please comment on [Canadian Natural's] involvement on this.'" Canadian Natural can advise the AER that Canadian Natural and the arborist completed the installation of the metal supports in July 2018 with the premise that these supports could remain in place.

Condition 2

Canadian Natural must install a quiet-style hydraulic drive head on the well and noise-attenuation buildings over all engines on site. In addition, if Canadian Natural installs a compressor, it must implement the noise control recommendations identified in the NIA report, which include keeping the door closed on the compressor building, installing an acoustic silencer on the engine radiator ventilation opening on the compressor building, and installing a noise-attenuation building ventilation system on the compressor building.

Canadian Natural notes that it has installed a Kawasaki hydraulic drive head on the well and that an NSI (Noise Solutions Industry) building has been set over the engine skid. Additionally, Canadian Natural does not have compression equipment installed on site at this time; however, in the event that this changes in the future Canadian Natural commits to following the recommendations as outlined in the NIA report as well as in the AER Decision 2018-004 condition as referenced above.

Condition 3

Canadian Natural must pressure test the well casing at the level set out in Directive 013 for medium-risk wells before recompletion activities begin.

Canadian Natural confirms that prior to any recompletion work began it pressure tested in accordance with *Directive 013*; this was done in accordance with the requirements for medium-risk wells. The casing was pressure tested on September 24, 2018 at a stabilised pressure greater than 7.0 MPa for more than 10 minutes without any pressure loss. After satisfying this criterion, Canadian Natural proceeded to conduct the recompletion activities on September 25, 2018.



Canadian Natural

Canadian Natural trusts that the above satisfactorily addresses the request; however, if you require additional information please contact the undersigned directly at 403-386-6420 or heather.sampson@cnrl.com.

Yours truly,

Canadian Natural Resources Limited

Heather Sampson, B.A. Econ.
Regulatory Coordinator

cc: Rick Palmer, Manager, Regulatory, Canadian Natural
Andre Campeau, Superintendent, Operations, Canadian Natural
Roxane Bretzlaff, Environmental Field Coordinator, Canadian Natural

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