

March 27, 2020

By Email Only

Tracy Welsh

**Statement of Concern No. 31682
Yangarra Resources Corporation (Yangarra)
Application No. 1713304**

Dear Tracy Welsh:

You are receiving this letter because you filed a statement of concern about Application No. 1713304 (the Application). The Alberta Energy Regulator (AER) has reviewed your statement of concern, 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 statement of concern.

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

- Yangarra has applied for dispositions that would allow it to access, prepare and occupy the subject public lands for drilling activities. However, Yangarra has not yet applied for approval under *Directive 056: Energy Development Applications and Schedules (Directive 056)* to commence drilling activities on those public lands. Accordingly, your concerns regarding impacts to water wells and noise relate to matters beyond the scope of the current Application. You will have the opportunity to file a statement of concern and raise these concerns when Yangarra applies to the AER for the appropriate approval under *Directive 056*.
- Your concerns regarding traffic and impacts to roads relate to matters outside of the AER's jurisdiction. Yangarra employees and contractors are required to obey posted speed limits and refrain from littering in accordance with applicable legislative requirements.
- With respect to your concerns regarding wildlife, geomatics mapping information for the subject public lands indicates that Yangarra's proposed activities do not pose a material risk to wildlife and wildlife habitat. Additionally, standard conditions in AER-issued dispositions under the *Public Lands Act* require disposition holders to perform a wildlife sweep to identify important wildlife features that must be avoided

during development. Yangarra must comply with applicable Government of Alberta policies, guidelines and requirements relating to wildlife impacts.

Based on the foregoing, your concerns (1) relate to matters outside of the AER's jurisdiction; (2) relate to matters beyond the scope of the Application; or (3) have been addressed to the AER's satisfaction. While the AER has decided that for these reasons a hearing is not required to consider the concerns in your statement of concern, the AER has not yet made a decision on the Application. You will be notified when that decision is made. If a hearing on the Application is to be held for another reason, a notice of hearing will be published.

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>.

If you have any questions please contact SOC@aer.ca.

Sincerely,

<Original signed by>

Lane Peterson
Director, Oil and Gas Surface
Regulatory Applications
/yc

cc: Jim Evaskevich, Yangarra Resources Corporation
SOC Assessor, AER
Red Deer Field Centre, AER