

BY E-MAIL ONLY

December 6, 2019

Ackroyd LLP
Attention: Mr. Bill McElhanney

Grizzly Oil Sands ULC (Grizzly)
May River SAGD Project
Application No. 1782389
Statement of Concern No. 29055

Dear Sir/Madam:

You are receiving this letter because you filed a statement of concern on behalf of Fort McMurray First Nation (FMFN) for Application No. 1782389. The Alberta Energy Regulator (AER) has reviewed your statement of concern, along with the company's 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:

- FMFN concerns have been adequately addressed
- The FMFN does not own the lands upon which the project is proposed. The project is on Crown Lands that the FMFN states are part of its traditional territory
- The distance from the project to FMFN's reserve lands at Gregoire Lake is approximately 75 km and approximately 100 km to its reserve lands at Clearwater
- FMFN states they are not opposed to the project but want to discuss their concerns
- Grizzly has provided a report stating mitigation addressing the concerns
- FMFN has not provided any specific information about FMFN members' activities in relation to the project

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 approval and this is your notice of that decision. A copy of the approval is enclosed.

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 approval if you meet the criteria within section 36 of the *Responsible Energy Development Act*. Filing instructions and forms are on our website under Regulatory Appeal Process.

If you have any questions, please contact soc@aer.ca.

Sincerely,

<Original Signed By>

Rob Cruickshank
Director, Business Process Authorizations

Attachment: (1) (Approval)

cc: Serge Bisson, Grizzly Resources ULC
Jill Dettling, Grizzly Oil Sands ULC
Judith Zatzek, AER
AER SOC Assessor
AER Indigenous Relations
Aboriginal Consultation Office