

BY E-MAIL ONLY

December 10, 2015

**Alex Kennedy,
Duncan Craig LLP**

Applications No. 1839529, 1839540, 1839574 and OSE 150020

ConocoPhillips Canada Resources Corp.

Statements of Concern No. 29966, 30016, 30017, and 30018

Dear Mr. Kennedy:

You are receiving this letter because you filed statements of concern about the above applications on behalf of Ms. Rita Callan. The Alberta Energy Regulator (AER) has reviewed the statements of concern, along with the applications, the applicable requirements, and other filed submissions or information about the applications, and has decided that a hearing is not required under an enactment or otherwise necessary to consider the concerns outlined in your statements of concern.

In its review of Ms. Callan's concerns, the AER considered or decided the following:

- Ms. Callan holds a licence for RFMA # 2820, granting her exclusive trapping rights for fur-bearing animals within the RFMA, but not exclusive land use rights. It does not exclude industrial or other activities from taking place within the RFMA.
- The project is a winter delineation drilling program and most impacts to the environment will be minimal, i.e., relatively short-term in duration, with effects being localized and temporary in nature. Conoco has committed to minimizing the pad size and to using minimal disturbance winter construction techniques to reduce effects on the environment.
- Having regard for the limited effects of the program, Ms. Callan has not demonstrated that she may be directly and adversely affected by the program. None of the information provided demonstrates if or how Ms. Callan's trapping activities could be affected at any specific location within or near to the sites where the program will be carried out. Her concerns are general in nature, leaving unanswered the questions of what trapping activities occur in what locations proximal to the program sites, and how could those activities be affected.

- Conoco has an approved Caribou Protection Plan No. AERCPP-COPRC-Surmont-2015/2016-23. This plan minimizes the impact on the Woodland Caribou.
- Conoco notes that any increase in traffic will be temporary in nature, and that all on site-workers will be required to drive at posted speed limits. Conoco further notes that existing access roads will be used as much as possible, and that 467 meters of new, temporary access roads will be constructed within Ms. Callan’s RFMA.
- Conoco must reclaim the site to comply with the relevant Oil Sands Exploration approval. Abandonment and reclamation typically takes five days to complete. Conoco estimates that the complete process for each well takes approximately fifteen to twenty-one days from site preparation to reclamation.
- Ms. Callan’s trapper cabin is several kilometres from the nearest delineation well site. Notwithstanding that, ConocoPhillips Canada Resources Corp. (Conoco) has indicated it will provide Ms. Callan with 10 days notification prior to any drilling activities. The sour wells have a H₂S content of 4 mol/kmol; however, they are temporary wells with EPZ parameters of about 70 meters to 360 meters.
- Any concerns regarding the effects on Ms. Callan’s trap line and trapping income may be addressed by the Alberta Trappers Compensation Board. This includes claims for temporary disruptions to trapping activities and long term loss of income caused by industrial disturbances.

inquiries 1-855-297-8311
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Based on the above, you have not demonstrated that Ms. Callan may be directly and adversely affected by the proposed wells. The AER has issued the applied-for licences and this is your notice of that decision. A copy of each licence is attached. Under the *Responsible Energy Development Act* an eligible person may file a request for a regulatory appeal on an appealable decision. Eligible persons and appealable decisions are defined in section 36 of the *Responsible Energy Development Act* and section 3.1 of the *Responsible Energy Development Act General Regulation*. If you wish to file a request for regulatory appeal, you must submit your request in the form and manner and within the timeframe required by the AER. You can find filing requirements and forms on the AER website www.aer.ca under Applications & Notices: Appeals.

If you have any questions, contact Judith Zatzek at _____ or e-mail _____

Sincerely,

<original signed by>

Shelley Youens
 Director, Infrastructure Authorizations (Oil & Gas)

<original signed by>

Elizabeth Grilo,
 Director, Land Use Authorizations

Attachments: 6 Licences