

**BY E-MAIL ONLY**

**February 3, 2016**

Andrew Scott  
**O'Chiese First Nation**  
Box 2127  
Rocky Mountain House AB T4T 1B6

**APPLICATION No. 1842114 FROM PENN WEST PETROLEUM LTD.  
STATEMENT OF CONCERN NO. 30048**

Dear Mr. Scott:

You are receiving this letter because you filed a statement of concern (SOC) on Application No. 1842114 on behalf of the Chief and Council of the O'Chiese First Nation (OCFN). The Alberta Energy Regulator (AER) has reviewed your statement of concern, along with the application, the applicable requirements, and other submissions or information about the application and has decided that a hearing is not required under an enactment or otherwise necessary to consider the concerns outlined in your statement of concern.

In its review of your concerns, the AER considered the following:

- OCFN's reserve boundaries are located approximately 15 km from the proposed project.
- Whether a decision of the AER may directly and adversely affect a party such as OCFN is to be considered by the AER in light of the evidence properly adduced before it. OCFN's concerns are of a general nature and the information provided by OCFN does not establish a sufficient degree of location or connection between the Application and the potential interference or impacts on its asserted Treaty and Aboriginal rights. Accordingly, OCFN has not demonstrated that it may be directly and adversely affected by the Applications.

The AER has issued the applied-for licence and this is your notice of that decision. A copy of the 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](http://www.aer.ca) under Applications & Notices: Appeals.

inquiries 1-855-297-8311  
24-hour  
emergency 1-800-222-6514

If you have any questions, please contact Mr. David Miles at 403-297-3582 or e-mail [david.miles@er.ca](mailto:david.miles@er.ca).

Sincerely,

**[Original Signed by]**

Shelley Youens  
Director, Infrastructure Authorizations  
(Oil and Gas)

Attached (1): Licence

cc: Rhonda Rogers, Penn West Petroleum Ltd.  
AER Red Deer Field Centre  
AER Aboriginal Relations  
AER Authorizations Review & Coordination

**Licence** 51491  
**Licensee** Penn West Petroleum Ltd.  
**Consultant**  
**Field Centre** Red Deer  
**H2S Content(mol/kmol)** 0.00  
**Substance (Code)** Salt Water (SW)

Pipe Specification (Pipeline specifications are only removed from the licence if they are no longer in use)

| <u>Id No.</u> | <u>O.D. (mm)</u> | <u>Wall Thickness (mm)</u> | <u>Mat</u> | <u>Type</u> | <u>Grade</u> | <u>M.O.P. (kPa)</u> | <u>Stress Level</u> | <u>Joints</u> | <u>I.P.</u> |
|---------------|------------------|----------------------------|------------|-------------|--------------|---------------------|---------------------|---------------|-------------|
| 1             | 97.4             | 12.85                      | G          | WSLP        | 1200         | 20271               |                     | M             | U           |

Pipe Location And Status

| <u>Action</u> | <u>Line No.</u> | <u>From Location Lsd-Sec-Twp-Rge-M</u> | <u>From Facility Code</u> | <u>To Location Lsd-Sec-Twp-Rge-M</u> | <u>To Facility Code</u> | <u>Length (km)</u> | <u>Stat</u> | <u>Envr</u> | <u>Id No.</u> |
|---------------|-----------------|--|---------------------------|--------------------------------------|-------------------------|--------------------|-------------|-------------|---------------|
| Add           | 25              | 06-21-042-07W5M                        | B                         | 13-07-042-07W5M                      | S                       | 4.92               | P           |             | 1             |

This licence permits the Licensee to conduct the activities authorized by it. At all times the Licensee must comply with all applicable legislation and regulatory requirements imposed from time to time by the Alberta Energy Regulator.

Drilling or construction authorized by this licence must commence on or before February 2, 2017.

Dated at Calgary, Alberta this  
 2nd day of February 2016.  
 Application Number 1842114



For Alberta Energy Regulator