

By Email Only

April 18, 2016

Donna Dahm and Bob Plowman

Application No. 1851985
Baytex Energy Ltd.
Statement of Concern No. 30201

Dear Ms. Dahm and Mr. Plowman:

You are receiving this letter because you filed a statement of concern about the subject application. 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:

- This is an amendment to an existing facility located at 13-8-84-18W5M, licence F41677. The amendment is required to remove three pumps and one compressor and install two compressors. The application will result in the following changes to the approval:
 - A reduction in the maximum licensed inlet rates for flaring from 5.00 to 0.00 10³m³/d.
 - A reduction in the total maximum continuous daily NO_x emission rates for the facility, from 3.53 to 3.28 kg/h. This rate is well below the limits in the Alberta Ambient Air Quality Objectives (AAAQO), and it is an AER requirement that the facility must continue to meet the AAAQO for NO_x.
 - A reduction in the maximum daily CO₂ emission rates from 29.88 to 16.27 t/d.
 - An administrative change to capture that there is no venting from the facility.

- Ms. Dahm’s lands are located about 9.8 km northwest from this facility.
- Mr. Plowman’s lands are located about 11.5 km northwest from this facility.
- Pursuant to *Directive 060 Upstream Petroleum Industry Flaring, Incinerating, and Venting* there is no venting permitted at the facility site, and all gas is captured via vapour recovery units. The facility is fully compliant with the requirements of *Directive 060*, including the requirements specific to the Peace River area in which the facility is located.
- Regarding your concern about wetlands, this is an existing facility and no new lands outside of the lease will be used or impacted as a result of the amendment application. The facility is located on Crown land, and the potential impact on water bodies would have been assessed at the time of the original Land Use application process, prior to the approval and construction of the existing facility.
- You have not provided information that demonstrates that you may actually use lands or other natural resources in the project area or other locations that may be affected by the project, or that the kinds of impacts you are concerned with may result from the application.
- The AER is satisfied that Baytex Energy Ltd. has met all consultation and notification requirements that apply to you in relation to the application.
- Based on the above, you have not demonstrated that you may be directly and adversely affected by the application for the amended facility licence.

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 24-hour
 emergency 1-800-222-6514

The AER has issued the applied-for licence amendment and this is your notice of that decision. A copy of the licence amendment 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 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 _____ or e-mail _____

Sincerely,

< original signed by >

Shelley Youens
 Director, Infrastructure Authorizations (Oil and Gas)

Enclosures (1): Licence amendment

cc: Jim Wu, Baytex Energy Ltd.
Ginette Brown, Acero Engineering Inc.
AER Slave Lake Field Centre

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