

BY E-MAIL ONLY

September 9, 2016

Dorothy Fisher

**APPLICATIONS No. 1857229 and 1857884 from MEDICINE RIVER OIL
RECYCLERS LTD. (MROR)**

STATEMENTS OF CONCERN NO. 30272 and 30277

Dear Dorothy Fisher:

You are receiving this letter because you filed statements of concern about Applications No. 1857229 and 1857884. The Alberta Energy Regulator (AER) has reviewed your statements of concern, along with the applications, the applicable requirements, and other 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 your concerns, the AER considered the following:

- You do not own the lands on which the facility is located, and your lands are located about 185 meters north of the existing disposal well. Further, there are no residents on your lands.
- This is an existing disposal facility, and there is no change to the footprint of the project. Your lands are not affected by any setbacks resulting from this facility.
- Regarding your concerns about groundwater contamination due to the integrity of the wellbore, the AER has completed a technical review of the project, and is satisfied that MROR has met the cementing requirements of *Directive 009: Casing Cementing Minimum Requirements*, and *Directive 051: Injection and Disposal Wells- Well Classifications, Completions, Logging, and Testing Requirements*. These directives serve to ensure that the groundwater will be adequately protected. Additionally, the AER has confirmed the integrity of the Leduc formation as a disposal zone, and that fluids disposed into this zone are contained within the formation.

- Your concerns about groundwater contamination from a surface spill are addressed by the requirements of *Directive 058: Oilfield Waste Management Requirements for the Upstream Petroleum Industry*, which includes maintaining a corporate response plan on-site that describes appropriate measures to follow in the event of any emergency, including a spill. MROR has provided details of its planned response to a spill, and these have been found to be satisfactory by the AER.
- The AER has reviewed your concerns about seismic activity, and determined that the proposed disposal into the Leduc formation is unlikely to induce an earthquake in the area of the application as it is not within an identified susceptibility zone.
- MROR's corporate financial health and compliance history have been reviewed and found to be satisfactory.
- Your concerns about increased traffic are outside the jurisdiction of the AER. Traffic and truck routing is regulated by the County of Lacombe, and concerns about traffic should be raised with the County.
- Your concerns have been addressed by MROR to the satisfaction of the AER.

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Based on the above, you have not demonstrated that you may be directly and adversely affected by the applications. The AER has issued the applied-for approvals, and this is your notice of that decision. Copies of the approvals are 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 Kejun Li at 403-297-8853 or e-mail Resources.Applications@aer.ca or Tinu Odeyemi at 403-297-8221 or email Directive058@aer.ca

Sincerely,

<original signed by>

Rob Borth
Director, Authorizations Subsurface (Oil & Gas)

Enclosures (2):

cc: Wade Stewart, MROR
Authorizations Branch Support,
Red Deer Field Centre

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