

By Email Only

November 16, 2016

Nickerson Roberts Holinski & Mercer
Attention: Mr. O'Connor

Application No. 1866242

Baytex Energy Ltd.

Statement of Concern No. 30427

Dear Mr. O'Connor:

You are receiving this letter because you filed a statement of concern on behalf of Mark Roberts, about the subject application. The Alberta Energy Regulator (AER) has reviewed the 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 application to drill one oil sand evaluation well.
- Oil sand evaluation wells are temporary in nature, and are required under Section 2.030 of the *Oil and Gas Conservation Rules* to be abandoned within 30 days.
- Mr. Roberts' lands and residence are located respectively about 6.6 km and 6.8 km northwest of the proposed well.
- The nearest lands used by Mr. Roberts for farming operations are located about 2.4 km northeast of the proposed well.
- Mr. Roberts is concerned about odours and emissions in proximity to his residence and farming locations; however, there will be no flaring or venting associated with the well.

- Mr. Roberts is concerned about additional development in the area; however, the subject application relates only to an oil sand evaluation well. No production equipment has been applied for and no bitumen production will be authorized or facilitated by the approval of the subject application.
- Concerns about Baytex's previous applications to the AER, existing Baytex infrastructure, THC levels, and air monitoring results in the Reno area are outside the scope of the subject application.

Based on the above, you have not demonstrated that Mr. Roberts may be directly and adversely affected by the application for the well licence. 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 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 LaiLoni Boswell at 403-297-2450 or email lailoni.boswell@er.ca

Sincerely,

<Original Signed By>

Elizabeth Grilo
Director, Business Process

Enclosure (1): Licence

cc: Thomas Aiello, Baytex Energy Ltd.
Shane Koss, Baytex Energy Ltd.
AER Slave Lake Field Centre