

BY E-MAIL ONLY

February 15, 2017

Donna Dahm and Bob Plowman

PENN WEST PETROLEUM LTD.

APPLICATION NO.	STATEMENT OF CONCERN NO.
1872677	30463
1872679	30464
1872680	30465
1872690	30466
1872691	30467
1872785	30477
1873081	30462

Dear Ms. Dahm and Mr. Plowman:

You are receiving this letter because you filed statements of concern about the subject applications. 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. The AER has decided that a hearing is not required under an enactment, or necessary, to consider the concerns outlined in your statements of concern.

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

Pipeline Applications No. 1872677, 1872679, 1872680, 1872690 & 1872691

- You do not own lands in any of the pipeline right-of-ways, and the closest pipeline will be located approximately 4.9 km from Ms. Dahm's lands and 6.1 km from Mr. Plowman's lands.
- The pipelines will not be a source of emissions to the environment.
- Penn West must comply with a number of operational requirements and technical specifications in the design, construction, and operation of its pipelines, including the *Pipeline Act*, the *Pipeline Regulation*, the Canadian Standards Association *CSA Z662: Oil and Gas Pipeline Systems*, *Directive 056: Energy Development Applications and Schedules* and *Directive 077: Pipelines— Requirements and Reference Tools*, which are assessed by the AER at the time of application.
- The AER has reviewed the applications and is satisfied that Penn West will meet existing requirements, and that these requirements address your concerns.

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

B150 Well Application No. 1872785

- You do not own the lands on which the wells will be located. Ms. Dahm's lands are located 12.5 km from the proposed well, and Mr. Plowman's lands are 14.2 km from the proposed well.
- The applied for wells are intended to produce crude bitumen with no H₂S content. They will be drilled from a single well pad to reduce surface impact.
- The applied for wells will be located in the Peace River Area. Pursuant to *Directive 060 Upstream Petroleum Industry Flaring, Incinerating, and Venting*, there is no venting of gas permitted at any site in the Peace River Area.

Oil Sands Exploration Well Application No. 1873081

- You do not own the lands on which the exploration well will be located. Ms. Dahm's lands are located 3.5 km from the proposed well and Mr. Plowman's lands are 4.9 km from the proposed well.
- Oil sands 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.
- Oil sands evaluation wells are not a source of emissions and there will be no flaring or venting associated with the well.

General

- The applied for wells and pipelines are located on Crown Lands and all required dispositions under the *Public Lands Act* have been previously granted by the AER. Potential impacts on wetlands and water bodies were assessed during the land use application process.
- The AER is satisfied that Penn West Petroleum Ltd. (Penn West) has met all consultation and notification requirements of *Directive 056* that apply to you in relation to the applications.
- You have not provided information that demonstrates that you may use lands or other natural resources in the area of the wells and pipelines or other locations that may be affected by the applications, or that the kinds of impacts you are concerned with may result from the applications.

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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 licences and this is your notice of that decision. Copies of the licences 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, <http://www.aer.ca/applications-and-notice/appeals>.

If you have any questions, contact Judith Zatzek at 403-297-6932 or e-mail judith.zatzek@aer.ca, or LaiLoni Boswell at 403-297-2450 or e-mail lailoni.boswell@aer.ca.

Sincerely,

<Original Signed By>

Scott Fallows

Acting Director, Business Process,

Authorizations Branch

Attachments: (11) Licences

cc: Leona Ballman, Penn West
Jay Farrell, Penn West
AER SOC Coordinator
AER Grande Prairie Field Centre