

BY E-MAIL ONLY

June 20, 2018

Henry Stelfox

Simon Stelfox

Tom Stelfox

**BONAVISTA ENERGY CORPORATION
APPLICATIONS NO. 1884373, 1885890 AND 1885937
STATEMENT OF CONCERN NO. 30641**

Dear Mr. Henry Stelfox, Mr. Simon Stelfox, and Mr. Tom Stelfox:

You are receiving this letter because your counsel filed a statement of concern (SOC) about Applications No.1877798, 1881658, 1881660, which you supplemented with your own correspondence. The Alberta Energy Regulator (AER) has reviewed your SOC, along with the applications, the applicable requirements, and other submissions or information about the application. The AER has decided that a hearing is not required under an enactment, or necessary, to consider the concerns outlined in your SOC. In its review of your concerns, the AER considered the following:

- You do not own the property on which this wellsite, pipeline and battery would be located, however, you do own land approximately 1.5kms from the site. Your land is crossed by a private access road that the applicant intends to use to gain access to the proposed wellsite after drilling and completion operations there are finished. There is a residence on your land and an additional residence is in the process of being constructed. You do not want the applicant to access the site using the private road, rather, you wish that the use of that road by the energy industry be reduced and eventually ended.
- The AER does not have information about the terms on which the applicant and other energy companies are permitted to use the private road on your land, and in any case the AER has no authority over the use of private or public roads (other than access roads over Crown land for which the AER has granted a disposition). Private road

use and negotiations or disagreements relating to such matters are beyond the AER's jurisdiction.

- AER *Directive 56* provides, in section 7.10(24), that applicants are not required to have road-use agreements in place prior to submitting an application; however, they must have road access in place prior to commencing construction of a licensed facility. The AER notes the applicant has stated that it will use an alternate route to access the wellsite until completion operations are finished. After that, traffic to the site using the private road on your lands will consist of smaller vehicles attending the site and moving product from it.

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

Based on the above, in particular the fact that the AER does not have authority to address the private road use issues raised in your SOC, the AER is satisfied that the applicant has responded to your concerns about the proposed project increasing the intensity of industry's use of the private road crossing your lands, and the AER has decided not to hold a hearing before making its decision on 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, <http://www.aer.ca/applications-and-notices/appeals>.

If you have any questions, contact Lynn Maric at 403-297-5292 or e-mail lynn.maric@aer.ca.

Sincerely,

Lane Peterson
Director, Pipeline Authorizations

Rob Borth
Director, Oil & Gas Authorizations

<Original signed by>

<Original signed by>

Attachment (3): **(Infrastructure Licences)**

cc: Scott Shimek, Bonavista Energy Corporation,
Emily Laratta, AER,
AER Red Deer Field Centre
Julia Fulford, ASE Regional Manager
Darlene Abbott, ADR

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