

BY E-MAIL ONLY

August 21, 2017

Donna Dahm and Robert Plowman

**OBSIDIAN ENERGY LTD. (FORMERLY PENN WEST PETROLEUM LTD.)**

**APPLICATIONS NO. 1884832, 1885055, 1885056, 1885057, 1885058, 1886348, and  
1888167**

**STATEMENTS OF CONCERN NO. 30727, 30734, 30735, 30736, 30737, 30765,  
30777**

Dear Donna Dahm and Robert Plowman:

You are receiving this letter because you filed a Statement of Concern (SOC) about Applications No. 1884832, 1885055, 1885056, 1885057, 1885058, 1886348, and 1888167. 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:

- As parties with known concerns about energy development in the Peace River Area, you were notified of Obsidian Energy Ltd.'s (Obsidian) proposed applications and also received Public Notice of Application (PNoA). The AER is satisfied that Obsidian has met all consultation and notification requirements of *Directive 056* that apply to you in relation to the applications. The AER also understands that Obsidian has now followed up with you regarding your requests for further information about the applications;
- You do not own the property on which any of the projects/infrastructure have been proposed;
- Ms. Dahm's lands are approximately 12.1 km from the nearest proposed projects/infrastructure (Application No. 1885055);

- Mr. Plowman's lands are approximately 13.7 km from the nearest proposed projects/infrastructure (Application No. 1885055);
- The projects/infrastructure proposed in the remainder of the applications is more than 19 km away from your lands.
- You have not provided information that demonstrates that you may use lands or other natural resources in the area of the applications or other locations that may be affected by the projects, or that the kinds of impacts you are concerned with may result from the applications.
- The proposed facility and infrastructure to be added to existing facilities will be located on Crown land, and the potential impacts on water bodies would have been assessed at the time of the original Public Land Use application process. No SOC's were submitted on the Land Use applications;
- The proposed projects are located in the Peace River Area. *Directive 084: Requirements for Hydrocarbon Emission Controls and Gas Conservation in the Peace River Area* is now in effect in and contains comprehensive requirements directing operators in the Peace River Area to eliminate routine venting, prevent nonroutine venting, reduce nonroutine flaring, conserve at least 95 per cent of all solution gas, reduce fugitive emissions, and minimize odours from truck-loading, truck-unloading, tank-cleaning, and tank-desanding activities. No venting or emissions are associated with the subject applications, and venting is not permitted in the Peace River Area as per *Directive 084*.
- Three of the applications (1884832, 1886348, and 1888167) are for license amendments to allow for the addition of compressor equipment for the purpose of collecting and conserving tank vent vapours as well as casing gas from the well head. The intent of adding compression at each of these sites is to conserve gas and eliminate continuous venting and flaring in the Peace River area as per the requirements listed in *AER Directive 084*;
- The AER continues to monitor this area, and has noted Obsidian is fully compliant with the requirements of *Directive 084*.

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

Based on the above, you have not demonstrated that you may be directly and adversely affected by approval of 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>.

The AER notes that the concerns raised in the SOC you have filed on the applications captioned above are identical or very similar to numerous SOCs you have filed on previous applications in the Peace River Area over the last several years. The concerns stated are generic, relate generally to bitumen development in the Peace River area, and are not specific to the projects proposed in the applications. In many cases, including the present applications, your lands are a significant distance, often several kilometers away, from the infrastructure and projects proposed in the applications on which you have filed SOCs. You have continued to restate these same concerns despite the fact that enhanced regulatory requirements that directly address many of your concerns have been recently implemented in the Peace River area.

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For these reasons, the AER is notifying you that if you continue to file generic, non-application specific SOCs similar in nature to the SOCs you have filed on previous applications, the AER may determine that this is an abuse of process, and disregard any or all of the concerns raised in your statements of concern, as contemplated under section 6.2 of the *AER's Rules of Practice*.

If you have any questions, contact Valeria Silva at 403-797-4157 or e-mail [Valeria.Silva@aer.ca](mailto:Valeria.Silva@aer.ca).

Sincerely,

<Original signed by>

Rob Borth  
Director, Authorizations Business Process

Enclosure (7): **Licences**

cc: Omeir Khan, Obsidian Energy Ltd.  
AER SOC Coordinator  
AER Slave Lake Field Centre