

BY MAIL ONLY

May 22, 2019

Mr. Wayne Rosell

**BONTERRA ENERGY CORP. (BONTERRA)
APPLICATIONS NOS. 1914152, 1914153, 1914154, 1914172, 1158183
STATEMENT OF CONCERN NO. 31350**

You are receiving this letter because you filed a statement of concern about Application Nos. 1914152, 1914153, 1914154, 1914172, and 1158183. The Alberta Energy Regulator (AER) has reviewed your statement of concern, along with the company's applications, and all applicable requirements and other submissions or information about the applications. The AER has decided that a hearing is not required to consider the concerns outlined in your statement of concern.

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

- Bonterra has met the AER's request to provide a mitigation plan regarding the impact to the bees on your land:
 - Peregrine Environmental Services Ltd. was hired to conduct this review, and created the *Bee Mitigation Plan*. This plan outlines the following mitigations:
 - Coordinate with the landowner to schedule summer drilling operations.
 - Keep vehicle traffic and speeds to a minimum when accessing the lease, specifically within close proximity to the hives.
 - Inform personnel of the bee hives and bee activity; interactions with bees may occur and possibly increase during spring and fall.
 - Bonterra has also provided the AER their commitment to comply with these mitigations, and a copy of this commitment is enclosed.

Accordingly, Bonterra has addressed this concern to the satisfaction of the AER.

- The remainder of your concerns either were outside of the jurisdiction of the AER, did not provide sufficient evidence to supplement your concerns, or were addressed to the satisfaction of the AER.

Based on the above, the AER has concluded that it is not necessary to hold a hearing before making a decision on the applications. The AER has issued the applied-for licences and this is your notice of that decision. Copies of the licences are enclosed.

All AER- regulated parties must comply not only with the conditions of their authorizations, but with all of the AER's regulatory requirements. To ensure industry compliance the AER has developed its *Integrated Compliance Assurance Framework*, which embodies the three main components of all effective compliance assurance programs, those being education, prevention, and enforcement. You can find out more about how the AER verifies industry compliance and responds to noncompliance here: <https://aer.ca/regulating-development/compliance/compliance-assurance-program>.

You may file a regulatory appeal on the AER's decision to issue the licences if you meet the criteria within section 36 of the *Responsible Energy Development Act*. Filing instructions and forms are on our website under Regulatory Appeal Process.

If you have any questions please contact Silken Leach at 403-355-4032 or silken.leach@aer.ca.

Sincerely,

<original signed by>

Rob Cruickshank
Director Business Process, Authorizations

Enclosure: 5 licenses (3 Wells, 1 Facility, 1 Pipeline), 1 attachment (Commitment Letter and Bee Mitigation Plan)

cc: Katie MacGregor-Resch, Bonterra Energy Corp.
AER SOC Assessor
AER Grande Prairie Field Centre