

BY EMAIL ONLY

February 13, 2019

Werner and Sharon Ambros

**ENCANA CORPORATION**

**APPLICATIONS NO. 1914500, 1914551**

**STATEMENT OF CONCERN NO. 31361**

Dear Mr. and Mrs. Ambros:

You are receiving this letter because you filed a statement of concern about Encana Corporation's (Encana) Applications No. 1914500 and 1914551, whereby Debbie Bishop, of Bishop Law, filed an additional response on your behalf. 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, we considered the following:

- The proposed pad sites are not located on your lands. Your residence is located approximately 1250 m east from the 14-27-72-9W6 location and approximately 800 m southwest from 15-26-72-9W6 location. The landowner of the land on which the proposed pad sites are located has provided consent to Encana.
- Your residence is not located within the EPZ of the proposed sites, which is 500m for the 14-27 pad and 530m for the 15-26 pad. Encana has committed to following all requirements in *Directive 071: Emergency Preparedness and Response Requirements for the Petroleum Industry*, and Section 7.050 of the *Oil and Gas Conservation Rules*.
- Your lands are included in the 530m EPZ of the 15-26 pad, however, the EPZ is 530m only during completion/servicing periods, which is temporary. The EPZ during suspended/producing periods is 380m.

- Your traffic concerns are outside of the jurisdiction of the AER, and should be addressed with the local county or Alberta Transportation, as applicable. The increase in traffic will be temporary in nature, and will be reduced once the project becomes operational.
- Encana has offered to review the air dispersion models with you, prior to drilling and completion activities in connection with the applications. Further, there will be no permanent on-site flaring and any flaring will be limited as much as possible.
- Your concerns about proliferation are not specific to these applications and Encana commits to continue to engage you in all future activities within a 5km radius of your residence.
- There was no specific evidence provided to supplement your concerns in regards to health developments, reduced quality of life and impacts to land value. Those concerns do not seem specific to these applications and are general in nature.
- Encana has committed to conduct a baseline sample of your residential water well in advance of drilling and completion operations, as well as committing to follow all requirements in *Directive 008: Surface Casing Depth Requirements*. If you believe that Encana is not complying with a regulatory requirement under the jurisdiction of the AER, you may contact Alberta EDGE (Environmental and Dangerous Goods Emergencies) at 1-800-222-6514 to submit a complaint.
- Encana responded to your concerns, after already receiving licenses for the wells on the 15-26 pad in March 2018, which were issued on a routine basis, by surrendering the well licenses and re-submitting *Directive 056* applications for those wells as non-routine under Application No. 1914551, when you requested to be notified of all Encana projects within 5km of your residence.

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 licenses and this is your notice of that decision. Copies of the licenses are attached.

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 licenses 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, contact Silken Leach at 403-355-4032 or [silken.leach@aer.ca](mailto:silken.leach@aer.ca).

Sincerely,

<original signed by>

R. Cruickshank

Director, Business Process

Attachments: 16 Well Licenses

cc: Sharron Winter, Encana Corporation  
Tim Meyers, Bennett Jones LLP  
Debbie Bishop, Bishop Law  
AER ADR Mailbox  
AER SOC Assessor  
AER Grand Prairie Field Centre