

BY EMAIL ONLY

July 9, 2019

Chad and Marie Juuti

**BONAVISTA ENERGY CORPORATION (BONAVISTA)
APPLICATIONS NO.: 1920887, 1920889, 1921307, 1211017
STATEMENT OF CONCERN NO. 31527**

Dear Chad and Marie Juuti:

You are receiving this letter because you filed a statement of concern about Applications No. 1920887, 1920889, 1921307 and 1211017.

The Alberta Energy Regulator (AER) has reviewed your statement of concern, along with the company's application, 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 its review of your concerns, the AER considered the following:

- The proposed project is not located on your lands, and is approximately 0.4 km from your residence.
- In relation to your concerns regarding initial construction, drilling and completion activities and impacts of noise, light traffic and dust on your peace and quiet, the company has committed to implement the following measures:
 - Orient the drilling rig, other large engines and associated fans and exhausts away from your residence.
 - Direct on lease lighting down and away from your residence.
 - Minimize use of rig horn.
 - Provide traffic control and maintain strict speed limits on Township Road 410 during drilling and completion activities to ensure the speed limit is respected by future production traffic.

- Provide dust control along Township Road 410, which may be a combination of watering and additional long-term dust control, as directed and approved by Clearwater County.
 - Gravel and repair Township Road 410 in conjunction with the construction of the 4-1-41-7W5 padsite.
 - Maintain and repair Township Road 410 and Range Road 70 to the extent the company's operations are affecting the roads throughout the entire construction, drilling and completion operations to the satisfaction of Clearwater County.
 - Direct construction fill truck traffic off Township Road 410 to minimize access disturbance.
- In relation to your concern regarding any impacts on your water quality, Bonavista has committed to:
 - testing your residential water well prior to drilling to obtain a baseline on water quality and quantity.
 - conduct a follow-up testing of your water well to confirm the existing residential water supply.
 - In addition to the water well testing commitment, Bonavista must follow the AER's regulatory requirements that require setting and cementing the surface casing to a certain depth to protect the deepest aquifer, which is sufficient to address any concerns about effects on water wells.
 - In relation to your concerns regarding your health and air quality, the AER notes that Bonavista must follow the provisions of the AER Directive 060: *Upstream Petroleum Industry Flaring, Incinerating and Venting*, which are aligned to ensure compliance with Alberta Environment and Parks' *Alberta Ambient Air Quality Objectives and Guidelines* developed to protect Alberta's air quality and provide protection of the environment and human health to the extent technically and economically feasible.
 - Your concerns related to the property value are general in nature and outside the AER's jurisdiction.
 - Bonavista must meet the noise requirements set out in the AER Directive 038: *Noise Control*.
 - Consequently, Bonavista responded to the concerns outlined in the SOC 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. Copy of the licences is 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 licence 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 Julia MacPhee, Statement of Concern Coordinator, at Julia.MacPhee@aer.ca.

Sincerely,

<original signed by>

R. Cruickshank
Director, Authorizations

Enclosure (4): (Licences)

cc: Chris Turpin- Bonavista Energy Corporation
AER Red Deer Field Centre