

BY E-MAIL ONLY

November 5, 2019

**James A. Krumm, President**  
**HERITAGE FREEHOLD SPECIALISTS & CO. LTD.****PRAIRIE PROVIDENT RESOURCES CANADA LTD.**  
**APPLICATION NO. 1924947**  
**STATEMENT OF CONCERN NO. 31597**

You are receiving this letter because you filed a statement of concern on behalf of Heritage Freehold Specialists & Co. Ltd. (Heritage) in response to Prairie Provident Resources (Prairie) Application No. 1924947. 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 application. The AER has decided that a hearing is not required to consider the concerns outlined in your statement of concern.

In its review of the concerns, the AER considered the following:

- Heritage does not have any existing well licenses penetrating the Glauconitic P Pool within the area or within a quarter section of the area to which the application applies, and therefore is not directly and adversely affected by this application.
- Prairie must operate in accordance with all applicable regulatory requirements as well as the terms and conditions of the Approval No. 12940.

Based on the above, the AER has issued the applied-for approval and this is your notice of that decision. A copy of the approval is attached.

The AER acknowledges your concerns regarding notification and the additional information that you provided. As per section 15.005 of the *Oil and Gas Conservation Rules*, an application for an enhanced recovery scheme must be filed in accordance with *Directive 065: Resources Applications for Oil and Gas Reservoirs*. It has come to our attention that the information on the AER's website is inconsistent with *Directive 065* and incorrect. Notification requirements are those set out in *Directive 065*. The AER will endeavor to correct the information on the website as soon as practicable.

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>.

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

You may file a regulatory appeal on the AER's decision to issue the approval 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.

Sincerely,

<original signed by>

Rob Cruickshank

Director Business Process, Authorizations

Attachment: Approval No. 12940

cc: Marley Cullum, Prairie Provident Resources Canada Ltd.;  
Medicine Hat Field Centre