

AER Proceeding 427

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June 23, 2023

www.aer.ca

By email only

Cassels Brock & Blackwell LLP

Blake, Cassels & Graydon LLP

Attention: Jeremy Barretto

Attention: Lars Olthafer

**Re: Reconsideration 1942203
Canadian Natural Resources Limited (Canadian Natural)
Greenfire Resources Operating Corporation (Greenfire)
Decisions on Hearing Participation, Issues, Procedural Matters, and Scheduling**

Dear Sirs:

The panel of Alberta Energy Regulator (AER) hearing commissioners presiding over this proceeding (the panel) writes to provide our decisions on several procedural matters related to the proceeding.

On April 17, 2023, the AER issued a notice of hearing for a reconsideration of Approval No. 13122A, which allows Greenfire to drill and operate its 100/02-15-084-11W4/0 well as a Class Ib disposal well into the Clearwater Sand aquifer, at its Hangingstone Expansion SAGD project.

Pursuant to section 1(j)(ii) of the *Alberta Energy Regulator Rules of Practice (Rules)*, the notice of hearing stated that Greenfire and Canadian Natural are parties to the hearing. However, the parties were required to confirm their intention to participate in the hearing, and the nature and scope of their participation, in writing, by May 1, 2023.

PARTICIPATION

We received confirmation from Greenfire and Canadian Natural of their intentions to participate in the hearing on the reconsideration. We did not receive any other requests to participate prior to the deadline of May 1, 2023.

Greenfire requested full rights of participation including presenting written and oral evidence, asking questions of witnesses, and making final argument. Canadian Natural requested full rights of participation,

including presenting written and oral evidence, providing information requests to Greenfire, cross-examining Greenfire, and submitting argument.

We confirm that Greenfire and Canadian Natural may participate fully in this hearing, including by way of making representations or submissions, questioning witnesses, and making argument.

TECHNICAL MEETING

On May 11, 2023, we decided that a technical meeting between Greenfire, Canadian Natural, and AER legal counsel would be appropriate to address scheduling and procedural matters. This technical meeting took place on June 2, 2023. Minutes of the meeting were circulated to Greenfire and Canadian Natural and finalized on June 9, 2023. We have reviewed these minutes.

HEARING ISSUES

In its June 1, 2023, response to the technical meeting agenda items, Greenfire submitted that the issues in the reconsideration hearing are as follows:

1. Will Greenfire's continued operation in accordance with AER Class Ib Disposal Approval No 13122A dated July 19, 2022, of the 100/02-15-084-11W4 disposal well (02-15 disposal well) impact, and to what degree, Canadian Natural's Clearwater gas production operation (e.g. by watering out or H₂S contamination)?
2. If so, to what degree, if any, should Greenfire's 02-15 disposal well operation be confirmed, varied, suspended or rescinded having regard to the mandate and purposes of the AER in the public interest?

In the June 2, 2023, technical meeting, Canadian Natural indicated that it did not object to the list of issues that Greenfire provided.

We accept the issues listed above and will consider additional issues that arise during the proceeding that may assist the panel in deciding the reconsideration.

HEARING FORMAT/LOCATION

In the June 2, 2023, technical meeting, both Greenfire and Canadian Natural agreed that the hearing should be held in-person and at the AER's Govier Hall. We confirm that the hearing will be held in-person at Govier Hall.

INFORMATION REQUESTS

In the June 2, 2023, technical meeting, both Greenfire and Canadian Natural agreed that an information request process was necessary. We confirm that an information request process will be included in the hearing schedule.

ORDER OF PRESENTATION

In the June 2, 2023, technical meeting, Greenfire submitted that as applicant, it expected that it would be first in the order of filing evidence and presentation at the hearing. Canadian Natural submitted that if its proposed concurrent submission schedule that was filed on June 1, 2023, in response to the technical meeting agenda items, was followed, then the order of presentation did not matter. If a non-concurrent submission schedule was used, then it believed that it should go first in both submissions and presentation.

We note that a reconsideration hearing is on the initiative of the AER, unlike a regulatory appeal hearing where the requester bears the onus on whether a decision should be revoked, confirmed, varied, or suspended. For a reconsideration hearing on a decision on an application, the approval holder bears the onus of demonstrating why the application should be approved following the hearing. Subsection 34(3) of the *Alberta Energy Regulator Rules of Practice (Rules)* prescribes that Part 2 of the *Rules* apply to a hearing in respect of a reconsideration and does not refer otherwise to a specific order of presentation for a hearing on a reconsideration. On a hearing on an application, it is the AER's practice that the applicant presents its evidence first. We do not believe that this reconsideration has unique circumstances that necessitate changing this practice. Therefore, we confirm that Greenfire will present its evidence first, followed by Canadian Natural and then reply evidence by Greenfire. The submission schedule below has been created based on this order.

HEARING DATES AND SCHEDULE

In the June 2, 2023, technical meeting, Greenfire indicated that its preference was to schedule the hearing for as many as seven days, given that it may take up to six days for both parties to complete the evidentiary portion of the hearing. Canadian Natural stated that based on the discussions, a minimum of five days would likely be needed for the hearing.

We have taken into consideration the parties' views and decided that the hearing will take place over two separate weeks: October 16 – 20, 2023 and October 30 – November 3, 2023. This will allow ample time for the completion of the hearing. We ask that the parties keep the entirety of both weeks available for the hearing.

The schedule for the proceeding is as follows:

Date	Filing
July 25, 2023	Greenfire submission
August 9, 2023	CNRL response submission
August 23, 2023	Final date for information requests
September 7, 2023	Deadline to reply to information requests
September 21, 2023	Greenfire's reply submission
September 27, 2023	Deadline to bring motions
October 16 – 20, 2023	Hearing Part 1
October 30 – November 3, 2023	Hearing Part 2

The parties should copy the AER on their IR and IR responses, so that the materials are filed on the record of this proceeding.

All filings must be submitted to Hearing.Services@aer.ca, with a copy to the other party, **no later than 4:00 pm (MST)** on the relevant date.

Yours truly,

Alex Bolton, P.Geol.

Brian Zaitlin, Ph.D., P. Geol., C.P.G.

Shona Mackenzie, C.Dir., P.Eng.

cc: Liv Desaulniers, Cassels Brock & Blackwell LLP
Heather Sampson, CNRL
Aron Mansell, Greenfire Resources Operating Corporation
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Barbara Kapel Holden, AER Legal Counsel
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