

August 10, 2023

[www.aer.ca](http://www.aer.ca)

By Email Only

John Stelfox

**Statement of Concern No. 32230  
Paramount Resources Ltd. (Paramount)  
Application No. 1942708**

Dear John Stelfox:

You are receiving this letter because you filed a statement of concern (SOC) about Application No. 1942708. The Alberta Energy Regulator (AER) has reviewed your SOC, along with the 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 SOC.

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

- The AER acknowledges your concerns regarding Paramount's lack of notification of an incident which took place in 2021 that resulted in a grass fire south of the Leafland Plant. The AER notes that Paramount followed all notification and Emergency Response Plan requirements set out in *Directive 056: Energy Development Applications and Schedules (Directive 056)* and *Directive 071: Emergency Preparedness and Response Requirements*. Paramount must continue to follow all requirements and rules associated with its active licence of the Leafland Plant. In addition, Paramount has committed to voluntarily add you to the external notification system for any future fires that may relate to the Leafland Plant, should any arise.
- Regarding concerns about future fire safety and prevention, Paramount outlined a number of safeguards in its May 26, 2023, correspondence. In addition to those safeguards, Paramount recently increased the blackened vegetation perimeter below the flare stack at the Leafland Plant which may further prevent any reoccurrences of ground fires.

- With respect to concerns regarding visual aesthetic, Paramount has committed to plant a tree line along the west side of its lease upon construction completion. Paramount further committed to discuss this matter in the future should you wish to plant additional trees on your side of the lease edge.
- Paramount submitted a revised Noise Impact Assessment (NIA) to the AER dated June. 26, 2023. An AER noise specialist reviewed Paramount's revised NIA and has deemed it technically complete as per requirements set out in *Directive 038: Noise Control (Directive 038)*. Additionally, Paramount must continue to comply with the requirements set out in Directive 038.
- Concerns regarding traffic relate to matters outside of the AER's jurisdiction and should be addressed by Alberta Transportation or the Municipality, as applicable.
- Regarding dust concerns, Paramount has indicated that it will honor dust control arrangements it is currently offering residents along township road 400, between the Beaver Flats Road and Range Road 55, to any future residents along that stretch of road.
- Concerns related to water well contamination from fracking and water extraction from a nearby creek are beyond the scope of the current application. There are no wells or water use approvals being applied for as part of this proposed project and should Paramount wish to add future development, Paramount must submit the applicable applications to the AER at that time. Furthermore, as per Directive 056, Paramount is required to include you in its participant involvement notification program for any future infrastructure applications in the area, and to notify you if such applications are submitted.
- Bankruptcy concerns are beyond the scope of the current application; however, the AER notes that Paramount must comply with the requirements set out in *Directive 067: Eligibility Requirements for Acquiring and Holding Energy Licenses and Approvals*.

Based on the above, the AER has concluded that it is not necessary to hold a hearing before making a decision on the application. The AER has issued the applied-for licence, and this is your notice of that decision. A copy of the licence 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 located here: <https://www.aer.ca/regulating-development/project-application/regulatory-appeal-process>.

If you have any questions, please contact [SOC@aer.ca](mailto:SOC@ aer.ca).

Sincerely,

<Original signed by>

Lane Peterson  
Director, Oil & Gas Surface  
Regulator Applications  
/as

Attachment (1): Licence

cc: Nadine Coffey, Paramount Resources Ltd.  
SOC Inbox, AER  
Matthew Bonko, AER  
Field Operations West, AER