

November 1, 2022

By Email Only

Lloyd and Cheryl Marshman

Statement of Concern No. 32108
Lynx Energy ULC (Lynx)
Application No. 31604041
Location: 10-35-027-22W4M

Dear Lloyd and Cheryl Marshman:

You are receiving this letter because you filed a statement of concern (SOC) about Application No. 31604041. 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:

- A Detailed Site Assessment (DSA) of the site for soil, landscape and vegetation was conducted in August 2021. The DSA showed that the conditions of the soil, landscape and vegetation parameters for the wellsite were comparable both on-site and off-site and met the *2010 Reclamation Criteria for Wellsites and Associated Facilities for Cultivated Lands* (Reclamation Criteria).
- A site visit was conducted on September 20, 2022 wherein AER staff confirmed that the soil, landscape and vegetation parameters appeared to be comparable both on and off-site and met the Reclamation Criteria.
- With respect to your concerns about possible site contamination, Lynx provided documentation that EBA Engineering Consultants Ltd (EBA) performed a Phase 2 Environmental Site Assessment (ESA) in 2010 to assess and characterize the soils at areas of potential environmental concern on site. The site was sampled and analyzed for hydrocarbons, soluble salts and metals.

As the laboratory values met the AB Tier 1 Guidelines, the AER is satisfied that these concerns have been adequately addressed.

- The AER acknowledges your concern regarding persistence of soil issues. The AER noted the soil textures were found to be acceptable with no restrictive soil layer found and crop growth met the Reclamation Criteria. Operators have a 25-year liability period for surface reclamation issues (topography, vegetation, soil texture, drainage, etc.) and a lifetime liability for contamination.
- The Reclamation Criteria requires an evaluation of whether “a site has met equivalent land capability.” AER Reclamation staff have reviewed the DSA and deem it adequate. Given the findings made in the DSA and during the AER staff site visit, the AER is satisfied that the site has met equivalent land capability and that your concerns regarding the DSA validity have been addressed.
- Regarding your concerns about incorrect and missing information on the reclamation certificate application, the AER can verify that the proposed application has been applied for correctly under, *Specified Enactment Direction 002: Application Submission Requirements and Guidance for Reclamation Certificates for Well Sites and Associated Facilities* and in accordance with the *2010 Reclamation Criteria for Wellsites and Associated Facilities for Cultivated Land*. In addition, Lynx’s correspondence addressed to yourselves dated May 13, 2022, included information providing sufficient clarity regarding these concerns, therefore the concerns have been addressed to the AER’s satisfaction.

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 Reclamation Certificate and this is your notice of that decision. A copy of the Reclamation Certificate 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 Reclamation Certificate 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.

Sincerely,

<Original Signed by>

Andrew MacPherson
Director, In Situ
Regulatory Applications
/ek

Attachment (1): Reclamation Certificate

cc: Patrick Harrison, Lynx Energy ULC
SOC Inbox, AER
Brad Dunkle, Reclamation Assessor, AER
Reclamation Inbox, AER
Field Operations South, AER