

August 18, 2022

By Email Only

Becky Dahl

**Statement of Concern No. 32114  
North 40 Resources Limited (North 40)  
Applications No. 31739453, 31739537 & 1937676**

Dear Becky Dahl:

You are receiving this letter because you filed a statement of concern (SOC) about Applications No. 31739453, 31739537 & 1937676. The Alberta Energy Regulator (AER) has reviewed your SOC, along with the applications, 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 SOC.

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

- You raised concerns about the proposed project interfering with the aesthetic value of the landscape, however North 40 has existing infrastructure in place and the proposed project will be situated within the boundaries of an existing surface lease. You have not demonstrated how the proposed project would have new or additional impacts to the aesthetic value of the landscape.
- Concerns around future subsurface infrastructure including pipelines, are outside the scope of the proposed applications.
- Regarding concerns around soil, groundwater quality and related environmental impacts, North 40 is required to comply with applicable AER requirements including *AER Directive 009: Casing Cementing Minimum Requirements* and *AER Directive 010: Minimum Casing Design Requirements* to prevent potential contamination.

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. Copies of the licences are 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 licences 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  
Regulatory Applications  
/gf

Attachment (3): Licences

cc: Preston Kraft, North 40 Resources Limited

Val Silva, AER

Arjun Chowdhury, AER

SOC Inbox, AER

Field Operations South, AER