Alberta Energy Regulator

Calgary Head Office
Suite 1000, 250 – 5 Street SW
Calgary, Alberta T2P 0R4
Canada

www.aer.ca

February 22, 2024

By Email Only

Miles and Lydia Nystrom

Statement of Concern No. 32418
Bonavista Energy Corporation (Bonavista)
Application Nos. 32586325 and 32586906

Dear Miles and Lydia Nystrom,

You are receiving this letter because you filed a statement of concern (SOC) about Application Nos. 32586325 and 32586906. 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.

Please note that the applications are registered to Bonavista. As indicated in correspondence from Tourmaline Oil Corp. (Tourmaline) on November 28, 2023, Tourmaline acquired the assets of Bonavista on November 17, 2023 and Tourmaline will be the operator. The AER will reference Tourmaline in this letter going forward.

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

- The AER acknowledges your concerns regarding impacts to groundwater. The AER requires that surface casing be set and cemented to a depth that is intended to protect the deepest aquifer, as per AER *Directive 008: Surface Casing Depth Requirement* and AER *Directive 009: Casing Cementing Minimum Requirements*.
- The AER acknowledges your concerns regarding the potential impact of odours/noxious gases, due to flaring, venting, or liquid storage. Tourmaline must comply with the requirements set out in *Directive 060: Upstream Petroleum Industry Flaring, Incinerating, and Venting (Directive*

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060) and the *Alberta Ambient Air Quality Objectives and Guidelines* which is intended to provide protection of the environment and human health. Further, the AER notes that Tourmaline has committed to notifying all area residents of flaring operations ahead of time. In addition, it has indicated that there is no venting planned during drilling, completion, or production operations and that all chemicals and condensate will be stored and contained within a vessel and will not be exposed to open air.

- The AER has reviewed your concerns about uncontrolled releases causing contamination. In addition to the commitment made that all chemicals and condensate will be stored and contained within vessels, the AER requires that licensees are fully prepared and capable of responding to any level of emergency. The specific requirements are outlined in *Directive 071: Emergency Preparedness and Response Requirements for the Petroleum Industry*.
- The AER acknowledges your concerns regarding noise. Noise associated with drilling will be temporary in nature and Tourmaline has committed to minimizing noise at night. During operation, the requirements of *Directive 038: Noise Control* must be met. You may report operational complaints by contacting the AER West Field Center or the Energy and Environmental Emergency 24-Hour Response Line 1-800-222-6514.
- Concerns regarding traffic relate to matters outside of the AER's jurisdiction. These concerns may be addressed by Alberta Transportation or the municipality, as applicable.
- Concerns regarding proximity are general in nature and there is insufficient information to show how the proposed development may cause direct and adverse affects.

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. A copy of the licences is attached.

All AER-regulated parties must comply not only with the conditions of their authorizations, but with all 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.

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Sincerely,

< Original Signed By >

Lane Peterson
Director, Oil & Gas Surface
Regulatory Applications
/jg

Attachment (2): Licences

cc: Brett Norrie, Tourmaline
SOC Inbox, AER
Val Silva, AER
Field Operations West, AER

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