

August 20, 2024

By Email Only

Agent By: james-allyn:
Blue Smoke Fireworks Ltd. (Blue Smoke)

Statement of Concern No. 32491
Tourmaline Oil Corp. (Tourmaline)
Applications No. 32886561

Dear Agent By: james-allyn:,

You are receiving this letter because you filed a statement of concern (SOC) about Application No. 32886561. 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:

- Blue Smoke did not provide the location of a residence or access road, location of a trapper's cabin or trap lines, or identify the areas used for farming. An AER-approved ERP (Emergency Response Plan) is not required for this activity as there are no known residents, occupied dwellings, or surface developments within the 0.95 km EPZ (Emergency Planning Zone). Additionally, this is not a critical sour well (E-category) so Tourmaline will be operating this site with a corporate level ERP that complies with the requirements of *Directive 071: Emergency Preparedness and Response*. Blue Smoke's concern regarding emergency response planning has been addressed to the satisfaction of the AER.
- Regarding Blue Smoke's concerns about H₂S, the AER notes that the EPZ radius does not extend into Blue Smoke's land during the drilling, suspended, or producing cases. The EPZ only extends into a small portion of Blue Smoke's land during the completion/servicing case which is approximately 30 days in duration. After this period, Blue Smoke's land will not be located within the EPZ radius.

- Concerns regarding property value, compensation, environmental impacts, and stress are vague, and there is insufficient information provided to show that Blue Smoke may be directly and adversely affected by the proposed project.
- With respect to concerns related to noise, Tourmaline must comply with the requirements set out in *Directive 038: Noise Control*. Additionally, operational complaints related to flaring, noise, odour or other areas of concern may be reported by contacting the AER Northwest Field Center or the Energy and Environmental Emergency 24-Hour Response Line 1-800-222-6514.

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.

Sincerely,

<Original Signed By>

Lane Peterson
Director, Oil & Gas Surface
Regulatory Applications
/ek, lm

Attachment (1): Licence

cc: Tracy Hudson, Tourmaline Oil Corp.
Matthew Johnston, Tourmaline Oil Corp.

Chantelle Warriner, AER
SOC Inbox, AER
Field Operations – Northwest, AER