

**Edmonton (Twin Atria)**  
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Canada

BY E-MAIL ONLY

September 19, 2019

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

KMSC Law LLP on behalf of Terry Strudwick and  
Gilbert Hagen  
Attn: Eric Compton

**Re: Advantage Oil & Gas Ltd.**  
**Application No. PIL190204**  
**Statement of Concern No. 31571**

Dear Sir/Madam:

You are receiving this letter because you filed a statement of concern regarding application no. PIL190204. The Alberta Energy Regulator (AER) has reviewed your statement of concern, along with the company's 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 statement of concern.

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

- You do not own the land on which the project is proposed, and your residence is approximately 12km SW from the project location.
- The concerns raised in the SOC relate exclusively to an existing and operational multi-well gas battery, including conduct of existing operations, emergency response plan, Participant Involvement notification, odour and flaring which are beyond the scope of this application as they are in relation to the *Directive 056: Energy Development Applications and Schedules ("D056")* licensing requirements. The proposed project had been applied for under the *Public Lands Act* and will only authorize the construction and rights in relation to the surface activity for a pipeline installation lease.
- The AER acknowledges your concerns regarding the impact of noise, health and security. However, they are general in nature and there is insufficient information to determine that you would be negatively affected by the applied for pipeline installation lease.
- The concerns regarding trucking operations are outside the AER jurisdiction, and should be directed to Alberta Transportation.
- All concerns about future expansion and future applications are outside the scope of this application.

- Advantage is required to meet all environmental and regulatory requirements.

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 approval and this is your notice of that decision. A copy of the approval is enclosed.

inquiries 1-855-297-8311  
24-hour  
emergency 1-800-222-6514

The concerns raised in your SOC are operational concerns related to the operation of the existing approved battery, which, as stated above, is outside the scope of this application. 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>.

If you have concerns that Advantage is not complying with regulatory requirements or that something is occurring that could have a negative impact on public safety, the environment or personal property, you may file a complaint. You can find more information on making a complaint here: <https://www.aer.ca/protecting-what-matters/giving-albertans-a-voice/file-a-complaint>.

You may file a regulatory appeal on the AER's decision to issue the approval if you meet the criteria within section 36 of the *Responsible Energy Development Act*. Filing instructions and forms are on our website under Regulatory Appeal Process.

If you have any questions, contact Brittney Goudreau at 780-641-9038 or by e-mail [Brittney.Goudreau@aer.ca](mailto:Brittney.Goudreau@aer.ca).

Sincerely,

<Original Signed By>

Rob Cruickshank  
Director, Business Process, Authorizations

Enclosure (1): (approval)

cc: Monte Hurt, Advantage Oil & Gas Ltd.  
Daron Naffin, Bennett Jones SLP  
Shannon Cairns, Bennett Jones SLP  
AER SOC Assessor  
AER Grande Prairie Field Centre