

**Via Email**

July 20, 2021

Karl and Grace Krautt

Obsidian Energy Ltd. (formerly, Penn West  
Petroleum Ltd.)**Attention: Karl and Grace Krautt****Attention: Craig Langford,  
Environmental Coordinator**Alberta Energy Regulator – Enterprise  
Reclamation Group**Attention: Kiril Dumanovski, Counsel**

Dear Sirs and Madam:

**RE: Request for Regulatory Appeal by Karl & Grace Krautt (the Krautts)  
Obsidian Energy Ltd. (Obsidian)  
Reclamation Certificate No. 1664262  
Location: NW-18-39-18-W4  
Request for Regulatory Appeal No.: 1928890**

The Alberta Energy Regulator (AER) has considered the submissions filed in relation to the above captioned matter and has determined that a hearing into the Regulatory Appeal will be held as the requisite legislative tests have been met.

By operation of sections 91(1)(i) of the *Environmental Protection and Enhancement Act (EPEA)* and section 36 of the *Responsible Energy Development Act (REDA)*, the tests for appealable decision and eligible person have been met in this case. Further, the AER has determined there is no justification to dismiss the regulatory appeal request at this stage under section 39(4) of the *REDA*. In short, *EPEA* grants the owner of lands subject to a reclamation certificate that is in receipt of a copy of the reclamation certificate a right of regulatory appeal barring extraordinary and obvious circumstances militating against that right. The AER found that no such circumstances exist in this case.

Given the above, the AER will be asking that the Chief Hearing Commissioner appoint a panel of hearing commissioners to conduct a hearing of the Regulatory Appeal.

Sincerely,

*<Original signed by>*

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Charlene Graham  
Executive Vice President, Law and General  
Counsel