

By e-mail only

July 18, 2023

Stikeman Elliott LLP

Alberta Energy Regulator – Compliance and
Liability Management Branch

Attention: Dennis Langen

**Attention: Alana Hall, Counsel
Lindsey Mosher, Counsel**

Dear Counsel:

**RE: Request for Regulatory Appeal by Obsidian Energy Ltd. (Obsidian)
Alberta Energy Regulator – Compliance and Liability Management Branch (CLM)
Environmental Protection Order, pursuant to sections 113 and 24 of the *Environmental
Protection and Enhancement Act* issued to Obsidian Energy Ltd., on March 23, 2023
Location: 14-18-82-17W5M
Request for Regulatory Appeal No.: 1942837 (Regulatory Appeal)**

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 legislative tests have been met. This regulatory appeal concerns Obsidian's objection with the AER CLM's decision to issue the Environmental Protection Order (EPO) to Obsidian on March 23, 2023.

By operation of sections 91(1)(h) of the *Environmental Protection and Enhancement Act (EPEA)* and sections 36 and 38 of the *Responsible Energy Development Act (REDA)*, the issuance of the EPO is an appealable decision and Obsidian, as the person to whom the EPO is directed, is an eligible person. The regulatory appeal request was filed on time and in the required form. 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*. CLM did not make submissions in response to Obsidian's request for regulatory appeal. Accordingly, a Regulatory Appeal hearing will be held as the requisite legislative tests have been met.

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>

Sean Sexton

Executive Vice President, Law and General Counsel