

By e-mail only

April 15, 2024

Calgary Head Office Suite 1000, 250 – 5 Street SW Calgary, Alberta T2P OR4 Canada

www.aer.ca

Avila Energy Corporation

Alberta Energy Regulator – Regulatory Applications Branch

Attention: Leonard Van Betuw Ryan Schnitzler Attention: Danielle Brezina, Counsel Shannon Peddlesden, Counsel

Dear Parties:

RE: Request for Regulatory Appeal by Avila Energy Corporation Alberta Energy Regulator – Regulatory Applications Branch (Regulatory Applications) Application for Licence Eligibility Decision dated July 7, 2023 Request for Regulatory Appeal No.: 1948302 (Regulatory Appeal)

The Alberta Energy Regulator (**AER**) has considered the request made under section 38 of the *Responsible Energy Development Act* (**REDA**) for a regulatory appeal of the AER's Licence Eligibility Decision dated July 7, 2023 (the **Decision**), filed by Avila Energy Corporation (**Avila**). The AER has reviewed Avila's submissions. Regulatory Applications responded that it would not be making submissions regarding Avila's request for Regulatory Appeal.

For the reasons that follow, the AER has decided that Avila is eligible to request a Regulatory Appeal in this matter. Therefore, the request for a Regulatory Appeal is granted.

The applicable provision of REDA in regard to regulatory appeals, section 38, states:

38(1) An <u>eligible person</u> may request a regulatory appeal of an appealable decision by filing a request for regulatory appeal with the Regulator in accordance with the rules.

[emphasis added]

The term "eligible person" is defined in section 36(b)(ii) of REDA to include:

a person who is directly and adversely affected by a decision [made under an energy resource enactment]...

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Reasons for Decision

Appealable Decision

The Decision was made pursuant to section 1.300 of the *Oil and Gas Conservation Rules*, which are authorized under the *Oil and Gas Conservation Act*, an energy resource enactment, without a hearing.

Eligible Person

To be eligible for a regulatory appeal, Avila must demonstrate, under section 36(b)(ii) of REDA, that it may be directly and adversely affected by the AER's decision on license eligibility. As the Decision concerns the eligibility of Avila to hold licenses, there is no question that Avila may be directly and adversely affected by the Decision.

In Accordance with the Rules

The request for regulatory appeal was filed in accordance with the time limits under the AER Rules of Practice.

Further, while the reasons for requesting a regulatory appeal are limited, the AER has determined there is insufficient justification to dismiss the regulatory appeal request at this stage under section 39(4) of REDA.

Sincerely,

<Original signed by>

Jeffrey Moore Senior Advisor, Legal/Regulatory <Original signed by>

Kevin Ball Senior Advisor, Product Business Delivery

<Original signed by>

Phil Hendy Senior Advisor, Risk & Governance