

BY E-MAIL ONLY

December 14, 2017

Lyle Lindahl and Tanja Lindahl

**BLACKSPUR OIL CORP.
APPLICATION NO. 1874178
STATEMENT OF CONCERN NO. 30524**

Dear Lyle Lindahl and Tanja Lindahl:

You are receiving this letter because you filed a statement of concern about Application No. 1874178 (Application). In the Application Blackspur Oil Corp. (Blackspur) seeks a licence to drill and produce a crude oil well at surface location 16-33-49-1 W5M.

The Alberta Energy Regulator (AER) has reviewed your statement of concern, the Application, applicable AER requirements, and other submissions or information about the Application. The AER has decided that a hearing is not required in order to consider your concerns about the well licence application in greater detail.

In its review of your concerns, the AER considered the following:

- The proposed well is not located on your lands, and is about 200 meters from your residence.
- Regarding your concerns about the visual impact of the well and your request that the wellsite be obscured with a berm and mature (30 foot) spruce trees, Blackspur has committed to building a 3 foot high berm and planting 6 foot high trees around the south side of the lease. Blackspur has also indicated it would consider planting trees on the north side of the lease if the landowner approves. The AER notes that only one well has been applied-for and is able to be approved in this proceeding. Blackspur is required to consult with you prior to submitting any additional well or facility applications at this location.
- In response to your concerns about noise, Blackspur has committed to the use of an electric pump jack at the wellhead. Additionally, AER *Directive 038* establishes maximum permissible daytime and nighttime noise levels that Blackspur is required

to meet in order to control unacceptable noise impacts from its facilities. Blackspur will also be required to address operational noise complaints if any arise. Please contact the AER at 1-800-222-6514 to report any operational noise concerns.

- Your concerns about effects of the well on your water well are addressed by AER requirements that surface casing be set and cemented to a depth that is intended to protect the deepest aquifer. The AER has reviewed Blackspur's planned surface casing, and concluded that it meets the requirements. Additionally, Blackspur has committed to testing your water well in conjunction with drilling, and to accept responsibility for any damage that is proven to be the result of Blackspur's activities.
- Although traffic and public road maintenance are outside the jurisdiction of the AER, it notes that Blackspur has indicated it is committed to maintaining the access road and approach as per its agreement with Leduc County, the municipality with jurisdiction over public roads in the area and the use of those.
- Your concerns regarding property value are general in nature, and you have not demonstrated how your property value might be affected by the proposed well.

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

Based on the above, the AER decided that you have not demonstrated you may be directly and adversely affected by the AER's decision on Application. The AER has, however, decided to hold a hearing of both the Application and an existing Blackspur application for a pipeline (Application No. 146873) that, if approved, would be associated with the proposed well. The primary purpose of the hearing will be to consider the concerns another individual has about the proposed pipeline, which (if approved) would cross a portion of that individual's land. The AER will issue a notice of hearing in due course. As a result, the AER has not made a decision on the Application at this time, and you will be provided notice of the AER's decision on the Application when that decision is made.

If you have any questions, contact Lonny Olsen at 403-297-3513 or e-mail Lonny.Olsen@aer.ca.

Sincerely,

Alberta Energy Regulator

cc: Chelsey DeBoice, Blackspur
AER SOC Coordinator
AER Drayton Valley Field Centre