

BY EMAIL ONLY

December 3, 2019

John and Verna Phippen

DELTAWEST ENERGY LTD. (DELTAWEST)
APPLICATION NO.: 1924821
STATEMENT OF CONCERN NO. 31608

Dear John and Verna Phippen:

You are receiving this letter because you filed a statement of concern about Application No. 1924821. 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:

- The information provided in the SOC is general in nature and has not demonstrated that you may be directly and adversely affected by the application
- The proposed project is not located on your lands, which are approximately 6.9 km to the southeast.
- To address your concerns with proximity to waterbodies, Deltawest asserted that there are no waterbodies immediately offsetting the proposed lease. Additionally, Deltawest outlined the mitigative measures in place to avoid offsite contamination.
- Deltawest responded to the concerns outlined in the SOC to the satisfaction of the AER.

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 licence and this is your notice of that decision. A copy of the licence is attached.

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>.

You may file a regulatory appeal on the AER's decision to issue the licence 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 please contact the AER Stakeholder and Government Engagement at Stakeholder.engagement@aer.ca

Sincerely,

<original signed by>

Alberta Energy Regulator

Enclosure (1): (Licence)

cc: Patrick Kam, pkam@deltawestenergy.com
AER SOC Assessor
AER Drayton Valley Center Field Centre