

BY EMAIL ONLY

January 24, 2019

Beverly and Marcel Deschenes

TORXEN ENERGY LTD.

APPLICATION NO. 1913786

STATEMENT OF CONCERN NO. 31338

Dear Mr. & Mrs. Deschenes:

You are receiving this letter because you filed a statement of concern about Application No. 1913786. 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:

- You do not own the lands on which the applied for facility is located, and your residence is located approximately 1.02 km away from the facility.
- Your concerns about the drilling project having a negative impact on air quality are in relation to the already approved well licences and outside the scope of this application.
- Your concerns about flaring are in relation to the already approved well licences, which are outside the scope of this application.
- In regards to your concerns about combustors being used on site to capture emissions, Torxen has committed to mitigate risks by adding an incinerator on site, so emissions will be sent to the incinerator instead of being vented. This concern has been addressed to the satisfaction of the AER.
- Your concerns about noise are in relation to the existing wells, and outside of the scope of this application. Furthermore concerns regarding noise at the facility have

been addressed and reviewed through a Noise Impact Assessment (NIA) which was deemed satisfactory by AER staff.

- Your concerns regarding slope stability and your water wells have been addressed to the satisfaction of the AER, as drainage from the site has been sloped away from the edge of the coulee.
- You have not demonstrated how you may be directly and adversely affected by this application.

Based on the above, the AER has concluded that it is not necessary to hold a hearing before making a decision on the application(s). 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, contact Megan Carfantan at 403-297-8415 or Megan.Carfantan@aer.ca.

Sincerely,

<Original Signed by>

Rob Cruickshank
Director, Business Process

Enclosure (1): **(Licence)**

cc: Holly MacDonald, Torxen Energy LTD.
AER SOC Assessor
AER Mindapore Field Centre