

File 2018-086

November 27, 2020

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By email only

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Ms. Wendy Ma P.Eng., Office Manager

Aeraden Energy Corp. (BA Code: A79A)

1002 - 14 Avenue SW

Calgary, AB T2R 0P1

Email: wendy.ma@aeraden.com

Enforcement Response: WARNING LETTER

Investigation: OneStop reclamation certificate application deficiencies

Location(s): 16-10-21-09W4, 12-14-21-09W4 and 06-15-21-09W4

Authorization(s): Reclamation certificate applications 380104, 379475 and 379690

Dear Ms. Ma:

This warning letter is the Alberta Energy Regulator's (AER) enforcement response to the investigation undertaken for the above noted land locations near Jenner, Alberta. This investigation is in response to the AER audit findings regarding 59 reclamation certificates that were issued. As a result of the deficiencies found, all 59 reclamation certificates were cancelled on January 3, 2019. The investigation only focused on a representative number of sites, due to the volume of information and the statutory limitation period of 2 years provided for in the *Environmental Protection and Enhancement Act*.

The following table establishes deficiencies verified by this investigation:

Well Site	Deficiencies
16-10-21-09W4	<ul style="list-style-type: none">- Groundwater monitoring wells still on site- Slumping at well centre and dead vegetation- Berms left on site
12-14-21-09W4	<ul style="list-style-type: none">- Infrastructure left on site- Tech fence on site- Berms left on site
06-15-21-09W4	<ul style="list-style-type: none">- Infrastructure left on site- Site is still active

The investigation identified that on or about November 22, 2018, the AER became aware that Aeraden Energy Corp. did fail to reclaim specified land and has therefore contravened the following:

1. Section 137(1) of the *Environmental Protection and Enhancement Act* which states:
An operator must
 - (a) conserve specified land,
 - (b) reclaim specified land, and
 - (c) unless exempted by the regulations, obtain a reclamation certificate in respect of the conservation and reclamation,
2. and therefore, did also contravene section 3(2) of the *Conservation and Reclamation Regulation* which states:
An operator must
 - (a) conserve specified land, and
 - (b) reclaim specified land in accordance with the applicable standards, criteria and guidelines that are established by the Director.

The AER considers this matter to be very serious. With additional time and investigation, it is likely that a more significant enforcement action would have been taken by the AER; however, due to the proximity of the November 22, 2020 limitation date, the AER has decided to issue a warning letter. Therefore, in consideration of the findings and conclusions identified by the investigation, this warning letter is the enforcement action for these contraventions and closes this investigation. This warning letter will form part of Aeraden Energy Corp.'s enforcement history and may be taken into consideration should future contraventions occur.

If you have any questions, please contact me at greg.jones@aer.ca or by phone at XXX-XXX-XXXX.

Sincerely,

<Original signed by>

Greg Jones
Manager, Major Investigations
Compliance & Liability Management

cc: Heath Matthews, AER
Michael Revie, AER
Corey Zadko, AER