

Good Afternoon Krista,

Further to your discussion with Dan Sarnecki, please find enclosed a copy of the response letter we are sending to Mr. Brian Kidd, in regards to his concerns with our proposed pipeline abandonment (as per NEB File No. OF-Fac-Gas-B263-2016-01 01).

This letter is being sent to Mr. Kidd via registered mail – Tracking No. RW277855995CA.

If any further clarification is needed or there are any additional questions, please do not hesitate to contact us.

Kind regards,



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# BONAVISTA

ENERGY CORPORATION

1600, 626 8th Ave SW Calgary, AB T2P 1G1  
T 403.213.4300 F 403.282.5184 bonavistaenergy.com

July 20, 2016

Mr. Brian Kidd  
Box 213  
Macklin, Saskatchewan  
S0L 2C0

**Proposed Abandonment of Hallum Sweet Natural Gas Pipeline  
Located From LSD 10-23-038-01w4m to LSD 10-19-038-28w3m**

Dear Brian,

Bonavista Energy Corporation applied to the National Energy Board (NEB) on March 10, 2016 to abandon the subject natural gas pipeline as the well connected to the line is no longer economic to produce. On July 19<sup>th</sup>, 2016 Bonavista received notice from the NEB that you would like the pipeline removed. The NEB asked that Bonavista contact you and address your request to have the pipeline removed. Had Bonavista been aware that you had filed a concern regarding removal of the pipeline on March 17<sup>th</sup>, 2016 we would have contacted you at that time. Please accept our apologies for taking this long to follow-up with you.

It is not common practice to remove pipelines that are abandoned nor is it a regulatory requirement to do so in Canada. The reason pipelines are abandoned in place is to minimize/eliminate the environmental impact to the land by digging them up.

As per your discussion with Mr. Daniel Sarnecki on July 20, 2016, I wanted to confirm the following:

- The pipeline will be cleaned of fluids/gases and purged with fresh air.
- No corrosion inhibitor will be left in the pipeline.
- The pipeline will be cutoff below surface on both ends at pipeline level.
- The ends will be capped by mechanical or welded means.
- The ends will be identified with a permanent tag that indicates the licensee, license and line number, date of abandonment and abandonment media left inside (fresh air).
- The electrical cathodic current that is currently applied to the pipeline will be removed so the pipeline is allowed to rust away back to its natural iron state.

As per the NEB Pipeline Regulations, Bonavista Energy Corporation remains responsible for the pipeline after it is abandoned. This is the same requirement as for provincially regulated pipelines. Should you have a development plan that is affected by the location on the abandoned pipeline, Bonavista will remove the segment of the line that is in the way of the development when you file your development application with the local authority. The removal of required segments at the time of development will negate the requirement for reclamation.

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700.4  
96%

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The removal of abandoned line segments is a routine procedure for Bonavista as we typically remove at least one segment yearly within the Calgary city limits where abandoned pipelines affect development plans.

The subject pipeline has never had a failure or leak. As the pipeline was used only to transport sweet natural gas and there have been no incidents of spills or environmental pollution there will be no possibility of soil contamination once the line is abandoned.

If you would like to discuss this matter further please contact either Daniel Sarnecki at 403 968-0680 or myself at 403 514-7303. We would be pleased to provide you with whatever information possible to help alleviate your concerns regarding the potential for future contamination from this pipeline.



Craig Collins  
Senior Pipeline Tech.  
Bonavista Energy Corporation

cc. Krista Wandler, National Energy Board [krista.wandler@neb-one.gc.ca](mailto:krista.wandler@neb-one.gc.ca)  
Scott Schmik, Vice President Operations  
Colin Ranger, Vice President Production  
Dan Sarnecki, Regulatory Compliance Consultant

All together better.

MAIL ROOM FAX COVERSHEET  
SALLE DE COURIER2016 JUL 25 A 8:47 25 2016 8:45 AM  
Month Day Year (Time)  
NEB/ONE

TO

FROM

NAME: Secretary of the BoardNAME: Craig CollinsNational Energy BoardBonavista EnergyFAX: 1877-288-9803FAX: 403-262-5184PHONE #: 1800-899-1265PHONE #: 403-574-7303

## COMMENT:

(NEB File No. OF-Fac-Gas-B263-2016-0101)

Response letter, part of abandonment hearing

4 pages including cover.