

GENERAL ORDER 2021-0054-03

Section 49 Oil and Gas Activities Act

Issued to:

Erikson National Energy Inc. Suite 1900, 717-7th Ave, SW Calgary, Alberta T2P 0Z3

Attention: Mr. Dan Jalbert, President

Order:

Pursuant to section 49(1) (e) of the *Oil and Gas Activities Act* (the "Act"), I, Dax Bourke, order that Erikson National Energy Inc. (Erikson) must:

- 1) By June 30, 2023, remove 10,000 m³ of water from the frac water storage site located at d-024-G/094-P-10 (the "Site") and dispose of this material at approved facilities.
- 2) By July 31, 2023, remove all remaining liquid, sludge and waste residue from the Site and dispose of these materials at approved facilities.
- 3) By August 18, 2023, complete and submit to the BC Energy Regulator (the "BCER") an environmental site investigation report to determine the presence and delineate the extent of any contamination in the soil and groundwater at the Site. The investigation shall include analysis for hydrocarbons, salts and metals. The site investigation report must be submitted electronically to C&E@bc-er.ca.
- 4) By October 31, 2023, if contaminated soils are present at site, remove or otherwise remediate those soils to meet the applicable numerical standards under the Contaminated Sites Regulation ("CSR") or to meet risk-based standards acceptable to the BCER.

Conditions:

A. This order shall remain in effect until amended or terminated in whole or in part by the BCER.

Reasons:

I make this order for the following reasons:

- i. Erikson is the holder of an authorization issued under the *Land Act* for the purpose of constructing and operating the Site.
- ii. On October 27, 2022, Erikson submitted its annual summary and laboratory analysis report to the BCER (the "Report") in relation to the Site. The Report, completed by Matrix Solutions Inc. found:
 - a. Water from the pond, between the liners ("BTL") and under the liners ("UTL"), contained concentrations of sodium and chloride that exceeded the applicable CSR standards. Water



- from BTL and UTL contained concentrations of barium, boron, cobalt, iron, lithium, strontium, and/or benzo[b&j] fluoranthene that exceeded the applicable CSR standards. Manganese concentrations from UTL also exceeded the applicable CSR standards.
- b. Sulphate concentrations exceeded the applicable CSR standards in groundwater from locations 17-9, 17-11, 17-13, and PW1. Lithium concentrations exceeded the applicable CSR standards in groundwater from wells 17-8b and PW5. Cobalt concentrations exceeded the applicable CSR standard. This is consistent with elevated concentrations noted in previous monitoring events.
- iii. The Report also indicates that the pond may be located within a groundwater recharge area.
- iv. The magnitude and extent of contamination cannot be determined until the Site is drained and assessed.
- v. I am of the opinion that this order is necessary to protect the environment.

Review or Appeal

Erikson National Energy Inc. may request a review of this order under section 70 of the Act or appeal this order under section 72 of the Act. Both a review and an appeal of the order cannot be commenced simultaneously.

A request for review may be sent to: <u>determinationreviews@bc-er.ca</u>.

Alternatively, a notice of appeal may be sent to the Oil and Gas Appeal Tribunal to ogatinfo@gov.bc.ca or mailed to:

Oil and Gas Appeal Tribunal PO Box 4925 Stn Prov Govt Victoria, BC V8W 9V1

Information regarding the process for appeals may be found at www.ogat.gov.bc.ca.

Dax Bourke

Compliance & Enforcement

BC Energy Regulator

DATED AT Fort St. John, in the Province of British Columbia, this 21st day of April, 2023.