

March 21, 2023

Enforcement File: 2022-0010

Procyon Energy Corporation
Suite 400
500-8th Avenue SW
Calgary, Alberta T2P 1G2

Attention: Ron McKellar

Re: General Order 2022-0010-02

Dear Mr. McKellar:

On February 11, 2022, the BC Oil and Gas Commission (Commission) issued General Order 2022-0010-02 to Procyon Energy Corporation (Procyon).

Please be advised that pursuant to section 49(8) of the *Oil and Gas Activities Act*, General Order 2022-0010-02 is hereby terminated.

If you have any questions or concerns, please do not hesitate to contact the Commission.

Sincerely,



Andy Johnson
Vice-President, Compliance & Operations
BC Energy Regulator

GENERAL ORDER 2022-0010-02
Section 49 *Oil and Gas Activities Act*

Issued to:

Procyon Energy Corp.
Suite 400
505-8th Avenue, SW
Calgary, Alberta T2P 1G2

Attention: Mr. Ron McKellar

Order:

Pursuant to section 49(1)(d) of the *Oil and Gas Activities Act* (the Act), I, Andy Johnson, order that Procyon Energy Corp. (Procyon) must:

1. On or before 4:30 PM (PST) February 16, 2022, cease production at WA 1942 - PROCYON RIGEL 06-23-087-17 (the Subject Well) and Facility ID 76.
2. On or before February 17, 2022, provide notification of completion of Item 1 electronically to the Oil & Gas Commission at C&E@bcogc.ca.

Conditions:

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

Reasons:

I make this order for the following reasons:

- i. Procyon is the permit holder for the Subject Well.
- ii. Procyon restarted production at the Subject Well in October 2021 and continued producing in November and December.
- iii. Pursuant to section 30 of the Act, on January 9, 2020, the Commission ordered Procyon to provide security to the Commission in the amount of \$2,688,192 by February 8, 2020.
- iv. Procyon did not comply with the order issued by the Commission.
- v. The Commission provided Procyon with a demand for payment on February 19, 2020. No payment was received by the Commission.
- vi. Pursuant to section 93.1 of the Act, a certificate of debts due in the amount of \$2,688,192 was issued against Procyon on September 24, 2021.

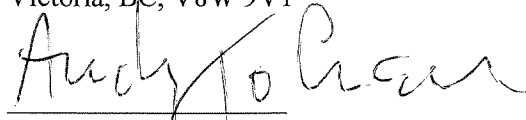
- vii. The Commission provided Procyon with two demands for payment on October 22, 2021, and November 22, 2021
- viii. The amount of security remains unpaid by Procyon to the Commission.
- ix. I am of the opinion that Procyon is not in compliance with section 30 of the Act.

Review and Appeal:

Procyon may request a review of this order under section 70 of the Act by submitting a request for review to ogc.determinationreviews@bcogc.ca.

Procyon may appeal this order to the Oil and Gas Appeal Tribunal under section 72 of the Act. The process for appeals may be found at www.ogat.gov.bc.ca and a notice of appeal may be sent to the Oil and Gas Appeal Tribunal at:

Oil and Gas Appeal Tribunal
PO Box 9425 Stn Prov Govt
Victoria, BC, V8W 9V1



Andy Johnson
Vice-President, Operations
Oil and Gas Commission

DATED AT Fort St. John, in the Province of British Columbia, this 11th day of February 2022.