



February 11, 2022

Enforcement File: 2022-0010

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

Attention: Ron McKellar

Re: General Order 2022-0010-001

Dear Mr. McKellar:

On February 4, 2022, the BC Oil and Gas Commission (Commission) issued General Order 2022-0010-001 to Procyon Energy Corporation (Procyon).

Subsequent to issuance of the Order, Commission staff have identified that technical requirements of the Order are not suitable in respect of the Subject Well.

Please be advised that pursuant to section 49(8) of the *Oil and Gas Activities Act*, General Order 2022-0010-001 is hereby terminated.

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

Sincerely,

A handwritten signature in black ink that reads "Andy Johnson".

Andy Johnson
Vice-President, Operations
BC Oil and Gas Commission

GENERAL ORDER 2022-0010-01
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 04:30 P.M. (MST) February 4, 2022, close the master valve(s) and chain and lock or remove the handles from the master valves of well 1942 - PROCYON RIGEL 06-23-087-17 (the Subject Well).
2. On or before February 5, 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.

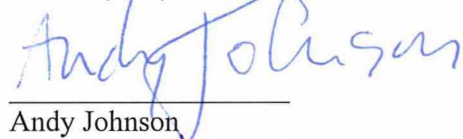
- vii. The Commission provided Procyon with two demands for payment on October 22, 2021, and November 22, 2021
- viii. The amount of security remains unpaid by Procyon to the Commission.
- ix. I am of the opinion that Procyon is not in compliance with section 30 of the Act.

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 1st day of February 2022.