

October 30, 2019

Enforcement File: 2017-173FSJ

Painted Pony Energy Ltd.
1800, 736 6th Avenue SW
Calgary, Alberta T2P 3T7

Attention: Mr. Kevin Zern

Re: General Order 2017-059

Mr. Zern:

On August 23, 2017, the BC Oil and Gas Commission (Commission) issued General Order 2017-059 to Painted Pony Energy Ltd. (Painted Pony).

Painted Pony has satisfied all the requirements of the Order.

Please be advised that pursuant to section 49(8) of the *Oil and Gas Activities Act*, General Order 2017-059 is hereby terminated.

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

Sincerely,



Patrick Smook
Director, Compliance and Enforcement
BC Oil and Gas Commission

GENERAL ORDER 2017-059 Amendment 1
Section 49 Oil and Gas Activities Act

Issued to:

Painted Pony Energy Ltd.
1800, 736 6th Avenue SW
Calgary, Alberta T2P 3T7

Attention: Kevin Zern, Production Engineer

Order:

Pursuant to section 49(1)(a) of the *Oil and Gas Activities Act* (the Act), I, Jacques Corstanje amend General Order 2017-059 issued on June 21, 2017 to Painted Pony Energy Ltd. (Painted Pony) by extending the deadline for submission of item 1 to on or before **August 31, 2017**.

Reasons:

I make this Order for the following reasons:

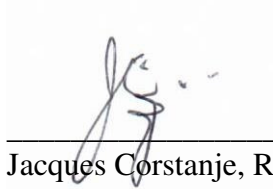
- I. Painted Pony has provided new information regarding steps it is taking to complete and submit the Plan required by item 1 of General Order 2017-059
- II. Painted Pony has been in good communication with the Commission and has requested until August 31, 2017 to submit their Plan
- III. I am in agreement with this request

Review and Appeal:

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

Painted Pony 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



Jacques Corstanje, RPF
Director, Compliance and Enforcement
Oil and Gas Commission

DATED AT Fort St. John, in the Province of British Columbia, this 23rd day of August, 2017.

Attachment: Schedule 1

GENERAL ORDER 2017-059
Section 49 *Oil and Gas Activities Act*

Issued to:

Painted Pony Energy Ltd.
1800, 736 6th Avenue SW
Calgary, Alberta T2P 3T7

Attention:

Order:

Pursuant to section 49(1)(a) of the *Oil and Gas Activities Act* (the Act), I, Jacques Corstanje, order that Painted Pony Energy Ltd.:

1. On or before July 21, 2017, complete and submit to the satisfaction of the Oil and Gas Commission (the OGC) a plan (the Plan) setting out how Painted Pony Energy Ltd. (Painted Pony) will carry out the reclamation of any areas of land disturbed by the construction of the pipelines listed in attached Schedule 1 (the Pipelines). Reclamation set out in the Plan must be in accordance with any recommendations contained in the Schedule A Reports prepared in relation to the Pipelines and the requirements set out in Schedule B of the Agreement between the Agricultural Land Commission and the OGC (the Agreement). The Plan must include time frames for the completion of the reclamation work as soon as practicable. The Plan must be submitted to the OGC electronically at C&E@bcogc.ca.
2. Complete the reclamation of any area of land disturbed by the construction of the Pipelines as soon as practicable and in accordance with the Plan.
3. Submit a completed Schedule B Report for each of the Pipelines to the satisfaction of the OGC no later than December 31 of the calendar year following completion of the reclamation work. The Schedule B Reports must be submitted to the Commission electronically 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. Painted Pony is the permit holder of the Pipelines (the Permits).
- ii. The Pipelines are located within the Agricultural Land Reserve.
- iii. At the time that Painted Pony was issued the Permits, Painted Pony was exempted from the requirement to apply for a non-farm use permission under the *Agricultural Land Commission Act* so long as, among other things Painted Pony:
 - a. Conducted reclamation of any area of land disturbed by the non-farm use in accordance with any recommendations contained in the Schedule A Report and the requirements set out in Schedule B of the Agreement or in accordance with such alternate requirements identified by a Qualified Specialist and agreed to by the OGC within 24 months of the date of pipeline installation; and
 - b. Immediately following the completion of the reclamation set out above, submitted a Schedule B Report to the OGC and, if the non-farm use has occurred on land other than Crown land, to the landowner(s) of the land on which the non-farm use has occurred.
- iv. It is a condition of each Permit attached in Schedule 1 that the permit holder must submit a Schedule B Site Assessment to the OGC two years from the date of construction of the Pipelines.
- v. I have determined the following:
 - a. The Pipelines were constructed more than 24 months before the date of this Order; and
 - b. Schedule B reports for the Pipelines have either not been received or are not to the satisfaction of the OGC.
- vi. I am of the opinion that Painted Pony is not in compliance with the Act or the Regulations.

Review and Appeal:

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

Painted Pony 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



Jacques Corstanje, RPF
Director, Compliance and Enforcement
Oil and Gas Commission

DATED AT Fort St. John, in the Province of British Columbia, this 21st day of June, 2017.

Attachment: Schedule 1

OGAA General Order 2017-059 Schedule 1

<u>Operator</u>	<u>OGC #</u>	<u>Project #</u>	<u>Leave to Open Date</u>
Painted Pony Petroleum Ltd.	9704966	22261	8-Dec-11
Painted Pony Petroleum Ltd.	9705696	22498	8-Dec-11
Painted Pony Petroleum Ltd.	9706174	22642	8-Dec-11
Painted Pony Petroleum Ltd.	9706286	22657	7-Feb-12
Painted Pony Petroleum Ltd.	9706224	22633	7-Feb-12
Painted Pony Petroleum Ltd.	9707980	23149	11-Mar-14