

June 21, 2017

Enforcement File: 17-061

Pavilion Energy Corp.  
1100, 800-6<sup>th</sup> Avenue S.W.  
Calgary, Alberta  
T2P3G3

Attention: Mr. Cas Morel

**Re: General Order 2017-14**

Dear Mr. Morel,

Please be advised that pursuant to section 49(8) of the Oil and Gas Activities Act, General Order 2017-014 issued by the Oil and Gas Commission on April 13<sup>th</sup>, 2017 is hereby terminated.

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

Sincerely,



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

**GENERAL ORDER 2017-014 Amendment 1**  
*Section 49 Oil and Gas Activities Act*

**Issued to:**

Pavilion Energy Corp.  
1100, 800-6<sup>th</sup> Avenue SW  
Calgary, Alberta T2P 3G3

**Attention:** Mr. Cas Morel

**Order:**

Pursuant to section 49(7) of the *Oil and Gas Activities Act* (the Act), I, Jacques Corstanje, amend General Order 2017-014 issued on April 13, 2017 to Pavilion Energy Corp. (Pavilion) as follows:

1. Item 2(b) is deleted. Item 2(c) is replaced with: “Provide the Oil and Gas Commission (the Commission) with a report that includes all the analytical data from the samples obtained and a diagram detailing the extent of the impacts (the Report). The Report must be submitted electronically to C&E@bcogc.ca.”
2. The following is added as Item 3: “On or before May 31, 2017:
  - a. Remediate the visible stained soil in the area in and around the flare stack area at the Facility.
  - b. Submit a summary of remedial actions undertaken in response to the flow of surface runoff from the Facility and documentation to demonstrate that the area in and around the flare stack at the Facility has been remediated. The summary and documentation must be submitted electronically to C&E@bcogc.ca.”

**Reasons:**

I amend this Order for the following reasons:

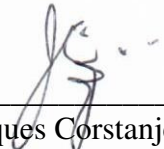
- i. Current site conditions are wet. Disturbing the site during wet conditions may cause more water contamination and environmental impact.
- ii. Pavilion has requested more time to conduct remediation when the site is drier.
- iii. The requested time extension should provide the time needed to allow the site to dry out.
- iv. I am of the opinion that the request for additional time is reasonable in the circumstances of this matter.

**Review and Appeal:**

Pavilion may request a review of this order under section 70 of the Act by submitting a request for review to [ogc.determinationreviews@bcogc.ca](mailto:ogc.determinationreviews@bcogc.ca)

Pavilion 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](http://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

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

DATED AT Fort St. John, in the Province of British Columbia, this 26<sup>th</sup> day of April, 2017.

**GENERAL ORDER 2017-014**  
*Section 49 Oil and Gas Activities Act*

**Issued to:**

Pavilion Energy Corp.  
1100, 800-6<sup>th</sup> Avenue SW  
Calgary, Alberta T2P 3G3

**Attention:** Mr. Cas Morel

**Order:**

Pursuant to section 49(1)(a) and (b) of the *Oil and Gas Activities Act* (the Act), I, Jacques Corstanje, order that Pavilion Energy Corp. (Pavilion) must:

1. On or before April 15, 2017 implement measures to prevent the flow of all surface runoff from Pavilion's Red Creek facility, ID 0003230, located at 03-10-085-21 W6M (the Facility).
2. On or before April 27, 2017:
  - a. Sample the soils and the liquid (ditch water) and delineate the area impacted as a result of the flow of surface runoff from the Facility. Soil samples must be analyzed for detailed salinity, CSR metals, VPH, LEPH, HEPH and BTEX.
  - b. Remediate the visible stained soil in the area in and around the flare stack area at the Facility.
  - c. Provide the Oil and Gas Commission (the Commission) with a report that includes all the analytical data from the samples obtained, a diagram detailing the extent of the impacts, a summary of remedial actions undertaken in response to the flow of surface runoff from the Facility, and evidence of the remediated area (the Report). The Report must be submitted electronically to 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. Pavilion is the permit holder of the Facility.
- ii. On January 3, 2017, a spill of approximately 1 m<sup>3</sup> of oil was discovered near the base of the flare stack at the Facility.
- iii. On April 12, 2017 Oil and Gas Operation Officers noticed visible staining, a sheen on the water and animal tracks at the Facility.
- iv. On April 12, 2017 Oil and Gas Operation Officers also observed evidence of noticeable hydrocarbons combined with surface runoff leaving the boundary of the Facility.
- v. I am of the opinion that this order is necessary to mitigate a risk to public safety and to protect the environment.
- vi. I am of the opinion that Pavilion has failed to comply with the Act and Regulations.

**Review and Appeal:**

Pavilion may request a review of this order under section 70 of the Act by submitting a request for review to: [ogc.determinationreviews@bcogc.ca](mailto:ogc.determinationreviews@bcogc.ca).

Pavilion 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](http://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 4925 Stn Prov Govt  
Victoria, BC V8W 9V1



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

DATED AT Fort St. John, in the Province of British Columbia, this 13<sup>th</sup> day of 2017.