

December 4, 2017

Enforcement File: 2017-115

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

Attention: Russell Gonie

Re: General Order 2017-020

Dear Mr. Gonie:

On May 15th, 2017, the BC Oil and Gas Commission (Commission) issued General Order 2017-020 to Pavilion Energy Corp. (Pavilion)

Pavilion 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 2017-020 is hereby terminated.

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

Sincerely,



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

GENERAL ORDER 2017-020
Section 49 *Oil and Gas Activities Act*

Issued to:

Pavilion Energy Corp.
1100, 800-6th 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 May 18, 2017 implement measures to prevent flow of all surface runoff from leaving the Pavilion Stoddart facility operating area, located at 16-19-085-19 W6M (the Facility).
2. On or before May 30, 2017:
 - a. Sample the soils and the liquid and delineate the area impacted off lease as a result of the flow of surface runoff from the Facility.
 - b. Analyze soil and liquid samples for detailed salinity, CSR metals, BTEX, VPH, LEPH and HEPH.
 - c. Submit analysis report of sampled soils and liquids with detailed drawings documenting GPS coordinates of each sampling location and each sampling depth, electronically to C&E@bcogc.ca
3. On or before June 6, 2017, remediate all the visible surface stained areas in the Facility operating area.

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 6, 2017, during an inspection of the Facility by an Oil and Gas Operations Officer, a breach of a berm was noted and Pavilion was advised of such breach.
- iii. On May 3, 2017, an Oil and Gas Operation Officer observed a breach in the berm and that surface runoff had left the Facility operating area and entered onto private property. Hydrocarbon staining was observed from the adjacent private land to the operating area at the location where the berm was breached.
- iv. I am of the opinion that this order is necessary to protect the environment.
- v. 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.

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 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



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

DATED AT Fort St. John, in the Province of British Columbia, this 15th day of May, 2017.