

March 16, 2017

Enforcement File: 2017-182FSJ

Canadian Spirit Resources Inc.
Suite 1520, 777 8th Avenue SW
Calgary, Alberta T2P 3R5

Attention: Paul Smolarchuck, Vice President, Engineering and Operations

Re: General Order 2017-081

Dear Paul Smolarchuck,

On July 7, 2017, the Oil and Gas Commission (Commission) issued General Order 2017-081 to Canadian Spirit Resources Inc. (Canadian Spirit).

Canadian Spirit 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 2017-081 is hereby terminated.

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

Sincerely,



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

GENERAL ORDER 2017-081 – Amendment 1
Section 49 Oil and Gas Activities Act

Issued to:

Canadian Spirit Resources Inc.
Suite 1520, 777 8th Avenue SW
Calgary, Alberta T2P 3R5

Attention: Paul Smolarchuk, Vice President, Engineering and Operations

Order:

Pursuant to section 49(7) of the *Oil and Gas Activities Act* (the Act), I, Jacques Corstanje, hereby amend General Order 2017-081 (the Order) issued on July 7, 2017 to Canadian Spirit Resources Inc. (CSRI) by extending the deadline for submission of item 1 to on or before September 22, 2017.

Reasons:

I make this Order amendment for the following reasons:

- I. Delivery of the Order to CSRI was delayed.
- II. The BC Oil and Gas Commission became aware of the delayed delivery in early August.
- III. Extension of the timeframe for item 1 will provide CSRI with a reasonable opportunity to complete necessary works.
- IV. I am in agreement with this amendment.

Review and Appeal:

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

CSRI 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 25th day of August, 2017.

GENERAL ORDER 2017-081
Section 49 Oil and Gas Activities Act

Issued to:

Canadian Spirit Resources Inc.
Suite 1520, 777 8th Avenue SW
Calgary, Alberta T2P 3R5

Attention: Paul Smolarchuck, Vice President, Engineering and Operations

Order:

Pursuant to section 49(1)(a) of the *Oil and Gas Activities Act* (the Act), I, Jacques Corstanje, order that Canadian Spirit Resources Inc.:

1. On or before July 28, 2017, complete and submit to the satisfaction of the Oil and Gas Commission (the OGC) a plan (the Plan) setting out how Canadian Spirit Resources Inc. (Canadian Spirit) 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. Canadian Spirit is the permit holder of the Pipelines (the Permits).
- ii. The Pipelines are located within the Agricultural Land Reserve.
- iii. At the time that Canadian Spirit was issued the Permits, Canadian Spirit 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 Canadian Spirit:
 - 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 Canadian Spirit is not in compliance with the Act or the Regulations.

Review and Appeal:

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

Canadian Spirit 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 7th day of July, 2017.

Attachment: Schedule 1

OGAA General Order 2017-081 Schedule 1

Operator	OGC #	Project #	Leave to Open Date
Canadian Spirit Resources Inc.	9701341	21203	1-Jun-09