

September 15, 2017

Enforcement File: 2017-186FSJ

KANATA Energy Group Ltd.  
1900 112 4th Avenue SW  
Calgary, Alberta T2P 0H3

**Attention:** Mike Dever, Vice President of Operations

**Re: General Order 2017-087**

Dear Mike Dever,

Please be advised that pursuant to section 49(8) of the Oil and Gas Activities Act, General Order 2017-087 issued by the Oil and Gas Commission on July 10, 2017 is hereby terminated.

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

Sincerely,



Lance Ollenberger  
Vice President, Operations  
BC Oil and Gas Commission

**GENERAL ORDER 2017-087**  
Section 49 *Oil and Gas Activities Act*

**Issued to:**

KANATA Energy Group Ltd.  
1900 112 4th Avenue SW  
Calgary, Alberta T2P 0H3

**Attention:** Mike Dever- Vice President of Operations

**Order:**

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

1. On or before July 31, 2017, complete and submit to the satisfaction of the Oil and Gas Commission (the OGC) a plan (the Plan) setting out how KANATA Energy Group Ltd. (KANATA) 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](mailto: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](mailto: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. KANATA is the permit holder of the Pipelines (the Permits).
- ii. The Pipelines are located within the Agricultural Land Reserve.
- iii. At the time that KANATA was issued the Permits, KANATA 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 KANATA:
  - 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.

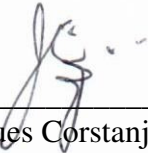
- vi. I am of the opinion that KANATA is not in compliance with the Act or the Regulations.

**Review and Appeal:**

KANATA 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).

KANATA 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 10<sup>th</sup> day of July, 2017.

Attachment: Schedule 1

**OGAA General Order 2017-087 Schedule 1**

<b>Operator</b>	<b>OGC #</b>	<b>Project #</b>	<b>Leave to Open Date</b>
KANATA Energy Group Ltd.	9708063	23297	28-Dec-14