



February 17, 2021

Enforcement File: 20-10

Kelt Exploration Ltd.
Suite 300, East Tower
311 Sixth Ave. S.W.
Calgary, Alberta
T2P 3H2

Attention: Al Franks, VP Production

RE: Warning: Fail To Comply With a Permit

Dear Mr. Franks,

On October 2, 2019, the BC Oil and Gas Commission (Commission) issued Kelt Exploration (LNG) Ltd. (Kelt) pipeline permit #100106789 (permit) to construct a pipeline in the province of British Columbia. The permit contained condition 16, which stated:

The Permit Holder must not commence construction unless the Restoration Plan has been approved by the Commission.

On January 20, 2020, Kelt submitted a Self-Disclosure to the Commission stating that Kelt had cleared approx. 650 m of pipeline right of way without submitting a Restoration Plan to the Commission prior to commencement of construction. Once Kelt realized the non-compliance, they stopped work and notified the Commission. Kelt cooperated with the Commission on the investigation.

Given the circumstances, Kelt is hereby issued a warning for the following:

Kelt, on or about January 18, 2020, did fail to comply with the permit contrary to Section 21(b)(ii) of the *Oil and Gas Activities Act*.

If Kelt has any questions about this matter please feel free to contact the undersigned.

Sincerely,

<original signed by>

BC Oil and Gas Commission