

September 08, 2020

Enforcement File: 20-043FSJ

AQT Water Management Inc.  
700-1816 Crowchild Trail NW  
Calgary, Alberta  
T2M 3Y7  
Canada

Attention: Mr. Nicholas Haddow, Regulatory Specialist

**RE: Warning: Failure to Comply With Drilling and Production Regulation, B.C.  
Reg. 282/2010, Section 24(b) and Section 36(1).**

Dear Mr. Haddow,

AQT Water Management Inc. (AQT) is the operator and permit holder for Well Authorization 3060 (WA3060), located at 11-12-084-19 W6M, Fort St. John British Columbia.

On November 20, 2019 a BC Oil and Gas Commission (Commission) Compliance & Enforcement Officer observed a service rig at WA3060; at this time the Commission was unaware of any workover operations being conducted at this well.

On November 21, 2019 AQT submitted a Notice of Operations regarding a workover to be completed at WA3060 to the Commission. The notice advised that workover operations at WA3060 were to begin on November 1, 2019 and be completed by November 20, 2019. With these as the declared workover operation dates, AQT would have had to submit the required Notice of Operations 22 or more days earlier to be in compliance with the subject regulation.

AQT completed workover operations at WA3060 on November 20, 2019. As per the regulation, AQT was to submit a Workover Operation Report to the Commission within 30 days of the completion of said operations. As such, AQT was required to submit this report on or before December 20, 2019. The Commission received AQT's Workover Operation Report on January 2, 2020 – 13 days overdue.

Following AQT's noncompliance with the subject regulation and subsequent administrative investigation by the Commission, AQT is hereby issued a warning only for the following:

1. AQT, on or about October 31, 2019 at or near Fort St. John in the Province of BC, did fail to submit a notice of operations to the Commission at least one business

day before beginning work to perform a workover on a well contrary to section 24(b) of the Drilling and Production Regulation.

2. AQT, on or about December 20, 2020 at or near Fort St. John in the Province of BC, did fail to submit a workover operation report to the Commission within 30 days of the completion of workover operations contrary to section 36(1) of the Drilling and Production Regulation.

Should AQT have any questions regarding this matter, please contact the undersigned.

Sincerely,

*<original signed by>*

Compliance & Enforcement Officer  
BC Oil and Gas Commission