

July 30, 2020

Enforcement File: 2020-1033-01

Crew Energy Inc.
800-250-5th Street S.W.
Calgary, AB T2P 0R4

Attention: Mr. Corey Semeniuk, Environment, Health and Safety Manager

RE: Warning: Fail To Comply With Condition Of An Authorization

Dear Mr. Semeniuk,

Crew Energy Inc. (Crew) holds water use authorizations AD 100107148 WU #5165 and AD 100108737 WU# 5334 issued under the Water Sustainability Act. Each authorization contains the following condition:

The Permit Holder must maintain accurate records of all water withdrawal activities throughout the term authorized. Water withdrawal records for each diversion point, including "0" values for months where no water was withdrawn, must be recorded monthly. Water withdrawal records must be submitted to the Commission on a quarterly basis via eSubmission. Quarterly reports are due on or before April 25, July 25, October 25 and January 25.

This condition provides the company three weeks to compile its water withdrawal volumes and to submit a report to the Oil and Gas Commission (Commission). A report for the months of April, May and June for WU #5165 and WU# 5334 was due no later than July 25, 2020.

On July 27, 2020, the Commission contacted Crew and the required reports were received on July 28, 2020, 3 days past the due date.

Late reporting may result in issuance of a violation ticket. The Commission notes Crew has no non-compliance history related to late water reporting.

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

Crew, on or about July 26, 2020, at or near Fort St. John in the Province of BC, did fail to comply with the condition of an authorization contrary to Section 106(3)(k) of the Water Sustainability Act.

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

Sincerely,

<original signed by>

Oil and Gas Commission