

December 4, 2023 Enforcement File: 2022 - 0150

ARC Resources Limited 1200, 308 4th Avenue SW Calgary, AB T2P 0H7

Attention: Jenny Marshall,

RE: Warning: Fail to comply with Drilling and Production Regulation, B.C. Reg. 282/2010, Section 41.1.

Dear Jenny Marshall,

ARC Resources Limited is the operator and permit holder for numerous wells and facilities, at or near Fort St John British Columbia (BC). Permit holders who operate wells and facilities in BC have been required to complete surveys of wells and facilities since leak detection and repair (LDAR) requirements within the Drilling and Production Regulation (DPR) came into effect on January 1, 2020. The specific legislation that compels a permit holder to conduct surveys is contained in Section 41.1 of the DPR.

An evaluation of ARC Resources Limited survey data for wells and facilities for the calendar years 2021 and 2022 indicates that ARC Resources Limited failed to fully comply with section 41.1 of the DPR.

Given the circumstances, ARC Resources Limited is hereby issued a warning only for the following:

ARC Resources Limited, between January 1, 2021 and December 31, 2021, at or near Fort St. John, in the Province of BC, did fail to complete all the required surveys for wells contrary to section 41.1 of the DPR.

ARC Resources Limited, between January 1, 2022 and December 31, 2022, at or near Fort St. John, in the Province of BC, did fail to complete all the required surveys for wells contrary to section 41.1 of the DPR.

If ARC Resources Limited has any questions about this matter, please feel free to contact the undersigned.

Sincerely,

<original signed by>

Compliance and Enforcement Officer British Columbia Energy Regulator