

April 28, 2025 Enforcement File: 2024-0148

Sukunka Natural Resources Inc. 2100, 855-2nd Street SW Calgary, Alberta, T2P 4J8

Attention: Todd Andrews, Superintendent Operations – Fort St. John

RE: Warning: Failure to comply with section 41.1(3) of the Drilling and Production Regulation

Dear Todd Andrews,

Sukunka Natural Resources Inc. (SNRL) is the operator and permit holder for numerous wells in the North-East of British Columbia (BC). Permit holders who operate wells in BC have been required to complete screening sureys of wells since Leak Detection and Repair (LDAR) requirements within the Drilling and Production Regulation (DPR) came into effect on January 1, 2020. The requirement for companies to complete and submit these screening surveys are covered under section 41.1 of the DPR.

During the investigation of surveys conducted by SNRL for the year 2023, Regulator Staff determined that SNRL had submitted 2 screening surveys but failed to complete 9 screening surveys on wells contrary to section 41.1(3) of the Drilling and Production Regulation, now section 41.1(5).

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

SNRL, between January 1, 2023, and December 31, 2023, at or near Fort St. John, in the Province of BC, did fail to conduct screening surveys on 9 wells contrary to section 41.1(3) of the Drilling and Production Regulation.

If SNRL 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