



May 23rd, 2018

Enforcement File: 2018-073

Progress Energy Canada Ltd.
1600, 215 2nd Street SW
Calgary, Alberta T2P 1M4

Attention: Jarred Anstett

Re: Warning: Fail to comply with Order condition

Dear Mr. Jarred Anstett,

On April 25, 2018, The BC Oil and Gas Commission (Commission) became aware that Progress Energy Canada Ltd. (Progress) lost hydraulic isolation in the wellbore, which occurred on April 12, 2018 located at A-A32-K/94-G-02.

Section 82 of the Oil and Gas Activities Act (OGAA) states:
A person to whom an order under this Act applies must comply with the order.

Special Project Order 13-02-002, Amendment #1 condition 2(e) states:
Cease injection and notify the Commission immediately if hydraulic isolation is lost in the wellbore or formation.

Progress did fail to comply with Special Project Order 13-02-002 Amendment #1 condition 2(e)

Progress is hereby warned for the following:
Progress, on or about April 12th, 2018, at or near Fort St John, British Columbia, did fail to comply with a condition of an Order contrary to section 82 of OGAA.

This warning letter will be included as part of Progress official compliance history.

Progress notified the Commission of the loss of hydraulic isolation on April 25th, 2018 for WA # 23212. Progress was cooperative and provided information when requested by the Commission in a timely manner.

Sincerely,

<original signed by>

Oil and Gas Operations Officer
BC Oil and Gas Commission