

**GENERAL ORDER 2017-009**  
Section 49 *Oil and Gas Activities Act*

**Issued to:**

Procyon Energy Corp.  
400 – 505 8<sup>th</sup> Avenue SW  
Calgary Alberta T2P 1G2

**Attention:** Mr. Ron McKellar

**Order:**

Pursuant to section 49(1)(a) of the *Oil and Gas Activities Act* (the Act), I, Lance Ollenberger, order that Procyon Energy Corp. (Procyon) must:

1. On or before May 31, 2017 complete and submit electronically to the Oil and Gas Commission (the Commission) at [C&E@bcogc.ca](mailto:C&E@bcogc.ca) a supplemental plan (the Plan) listing each well Procyon intends to reactivate and outlining the reactivation proposal. The Plan must be to the satisfaction of the Commission and include the following:
  - i. Details on completion/workover requirements for any well that Procyon plans to reactivate;
  - ii. A scheduled timeline of all reactivations and monthly production projections associated with each well; and
  - iii. A defined timeline of submissions of security to return to a LMR of 1.0.
2. On or before September 30, 2017 complete all steps in the Plan.
3. On or before September 30, 2017 complete and submit electronically to the Commission at [C&E@bcogc.ca](mailto:C&E@bcogc.ca) a signed statement confirming completion of all steps in the Plan or that the full outstanding security of \$2,688,192 has been submitted to the Commission.

**Conditions:**

- A. This order shall remain in effect until amended or terminated in whole or in part by the Commission.

**Reasons:**

I make this order for the following reasons:

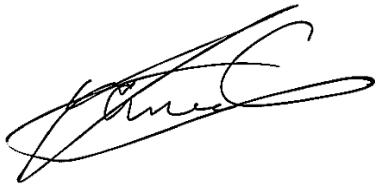
- i. On October 16, 2015 Procyon was ordered under section 30 of the Act to submit a security amount of \$932,544 by December 18, 2015.
- ii. Procyon did not submit the security as required in the section 30 order.
- iii. Procyon wells were shut in pursuant to General Order 2016-004.
- iv. Procyon failed to comply with General Order 2016-004 to produce a Liability Management Plan acceptable to the Commission to address a scheduled return to an LMR of 1.0 by January 1, 2017.
- v. The Commission issued an Administrative Decision finding Procyon contravened section 82 of OGAA by failing to comply with the General Order 2016-004.
- vi. During the opportunity to be heard for the Administrative Decision Procyon indicated it wanted to implement a plan to bring itself into compliance with the LMR requirements in a timely manner.
- vii. Procyon remains out of compliance with LMR requirements by continuing to maintain an LMR of less than 1.0.
- viii. Procyon has failed to comply with the Act and a previous order made under the Act.

**Review and Appeal**

Procyon may request a review of this order under section 70 of the Act by submitting a request for review to: [ogc.determinationreviews@bcogc.ca](mailto:ogc.determinationreviews@bcogc.ca).

Procyon may appeal this order to the Oil and Gas Appeal Tribunal under section 72 of the Act. The process for appeals may be found at [www.ogat.gov.bc.ca](http://www.ogat.gov.bc.ca) and a notice of appeal may be sent to the Oil and Gas Appeal Tribunal at:

Oil and Gas Appeal Tribunal  
PO Box 4925 Stn Prov Govt  
Victoria, BC V8W 9V1



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Lance Ollenberger  
Vice President, Compliance Operations  
BC Oil and Gas Commission

DATED AT Fort St. John, in the Province of British Columbia, this 21st day of April 2017.