



April 21, 2020

Enforcement File: 19-105FSJ

Canlin Energy Corporation
PO Box 4335, Station C
Calgary, AB T2T 5N2

Attention: Mr. Todd Lane, Environment and Regulatory Manager

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

Dear Mr. Lane,

Canlin Energy Corporation (Canlin) holds an authorization issued under the Water Sustainability Act. This authorization contains a standard condition as follows:

The permit holder must maintain accurate records of all water withdrawal activities throughout the term approved. Water withdrawal records for each diversion point, including "0" values for months where no water was withdrawn, must be recorded monthly.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 25th, July 25th, October 25th, and January 25th.

This condition provides the company three weeks to compile its water withdrawal data and to submit a report to the Oil and Gas Commission (Commission). A report for AD 100105536, WU 5009 for the month of September 2019, for POD's 002 and 003 was due no later than October 25, 2019.

On November 7, 2019 the Commission received the required report after Canlin was contacted.

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

Canlin, on or about October 26, 2019, did fail to comply with the condition of an authorization contrary to Section 106(3)(k) of the Water Sustainability Act.

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

Sincerely,

<original signed by>

Oil and Gas Commission