

**GENERAL ORDER 2017-103**  
Section 49 *Oil and Gas Activities Act*

**Issued to:**

Predator Oil BC Ltd.  
1500, 250-2nd Street, SW  
Calgary, Alberta, T2P 0C1

**Attention:** Mr. Greg MacDonald

**Order:**

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

- 1) By October 31, 2017, submit a Liability Management Plan (Plan) to the satisfaction of the Commission electronically to [C&E@bcogc.ca](mailto:C&E@bcogc.ca). The Plan must:
  - a) Document the work plan and schedule for the decommissioning and restoration of infrastructure associated with oil and gas activities and related activities that are owned and operated by the permit holder; and,
  - b) Document how decommissioning and restoration work will, by May 31, 2018, achieve a \$5,000,000 reduction in the deemed liability of Predator's infrastructure that was identified by the Commission under its Liability Management Rating Program as at June 2, 2017.

**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 June 1, 2017, the Commission approved an application to transfer application determination #'s and authorizations from Penn West Petroleum Ltd to Predator (the "Approval"). That Approval is attached to this Order.
- ii. Conditions of the Approval included the following:
  1. By June 30, 2017, the permit holder must develop a Liability Management Plan to the satisfaction of the Commission. The Liability Management Plan must:
    - a. Document the work plan and schedule for the decommissioning and restoration of infrastructure associated with oil and gas activities and related activities that are owned and operated by the permit holder; and,

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- b. Document how decommissioning and restoration work will, by May 31, 2018, achieve a \$5,000,000 reduction in the deemed liability of the permit holder's infrastructure that has been identified by the Commission under its Liability Management Rating Program as at June 2, 2017.
2. The permit holder must implement the Liability Management Plan submitted to the Commission to (1) above.
- iii. On September 27, 2017, Predator submitted a proposed Plan to the Commission.
- iv. The Commission reviewed the proposed Plan and found that it is was not satisfactory.
- v. On October 4, 2017 the Commission sent Predator a letter which advised that the proposed Plan failed to meet Condition 1 of the Approval and further that the Plan should:
- identify the sites where decommissioning or restoration work will be undertaken,
  - identify the scope of the work being undertaken at each site,
  - identify work schedules, and
  - document how decommission and restoration work will, by May 18, 2018 achieve the required reduction in liabilities.
- vi. To date the Commission has not received a satisfactory Plan.
- vii. I am of the opinion that Predator is not in compliance with a condition of its Approval.

### **Review and Appeal:**

Predator 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).

Predator may appeal this Order to the Oil and Gas Appeal Tribunal under section 72 of the Act. The process for appeals can 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 9425 Stn Prov Govt  
Victoria, BC, V8W 9V1



Lance Ollenberger  
Vice President, Operations  
BC Oil and Gas Commission

DATED AT Fort St. John, in the Province of British Columbia, this 23<sup>rd</sup> day of October, 2017.

Attachment: Predator Transfer Approval



Permit File: 20200-18

Kermit Job Numbers:

037718184-001 037723295-001 037717489-001 037716826-001 037735021-001  
037722324-001 037730957-001 037728275-001 037716251-001 037730898-001  
037736061-001 037723067-001 037723638-001 037714473-001 037737446-001  
037734159-001 037722630-001 037722790-001 037699237-001

June 1, 2017

Predator Oil BC Ltd.  
1500, 250 – 2<sup>nd</sup> Street, SW  
Calgary, Alberta  
T2P 0C1

Via email [Wendy.Eastgaard@predatoroil.com](mailto:Wendy.Eastgaard@predatoroil.com)

**RE: APPROVED APPLICATION TO TRANSFER APPLICATION DETERMINATION # AND AUTHORIZATIONS FROM PENN WEST PETROLEUM LTD. TO PREDATOR OIL BC LTD.**

Pursuant to Section 29 of the *Oil and Gas Activities Act*, I hereby consent to the transfer and assignment of the Application Determination # and authorizations, as outlined on the attached transfer application and assignment of surface rights package dated January 31, 2017. A transfer fee in the amount of \$416,400.00 can be made through the online payment portal, AMS Payment, by Predator Oil BC Ltd.

Please accept this letter as acknowledgement that the files outlined on the attached surface assignment schedule have been assigned to Predator Oil BC Ltd.

The permit holder must comply with all of the permissions and conditions stated in the original Permits and Associated Authorizations as well as the additional conditions 1(a) and (b) and 2 set out below.

The additional condition(s) set out below form an integral part of each of the Permits and Associated Authorizations that are listed on the attached Operator Change Report and the LMR Detail Report and should be attached thereto.

**Additional Conditions**

1. By June 30, 2017, the permit hold must develop a Liability Management Plan to the satisfaction of the Commission. The Liability Management Plan must:
  - a. Document the work plan and schedule for the decommissioning and restoration of infrastructure associated with oil and gas activities and related activities that are owned and operated by the permit holder; and,
  - b. Document how decommissioning and restoration work will, by May 31, 2018, achieve a \$5,000,000 reduction in the deemed liability of the permit holder's infrastructure that has been identified by the Commission under its Liability Management Rating Program as at June 2, 2017.
2. The permit holder must implement the Liability Management Plan submitted to the Commission to (1) above.

***In addition it is the responsibility of the transferee to ensure all records, reports, plans, permits and other correspondence pertaining to the assets outlined in the attached documents are obtained from the transferor. Until all required emergency response plans for these assets are received by the Commission from the transferee, any required response activities remain the responsibility of the transferor.***

Please note it is your responsibility to register an Assignment of Surface Rights for Statutory Right of Way documents at the Land Titles Office in New Westminster.

The tenure files listed on the attached Statutory Right of Way Report will require survey plans submitted following this Permit Transfer Approval.

Please do not hesitate to contact me via e-mail at [assetmanagement@bcogc.ca](mailto:assetmanagement@bcogc.ca) if you have any questions.

Yours truly,



Kori St. Michael-Anderson  
Permit Administration Technician, Permit Operations & Administrative Branch

Enclosures

cc: Penn West Petroleum Ltd., via email [Linda.Rawlyk@pennwest.com](mailto:Linda.Rawlyk@pennwest.com)