

GENERAL ORDER 2018-005
Section 49 *Oil and Gas Activities Act*

Issued to:

Shanghai Energy Corporation
PO Box 1830, Station M
Calgary, Alberta T2P 2L8

Attention: Mr. Owen Bailey, Productions and Operations Manager

Order:

Pursuant to section 49(1)(b) of the *Oil and Gas Activities Act* (the Act), I, Patrick Smook, order that Shanghai Energy Corporation (Shanghai) must do the following:

1. By November 30, 2018, prepare and submit to the Commission a remediation action plan (Plan) for addressing contamination on and adjacent to the operating area located at b-68-K/094-P-05 (the operating area), that:
 - a. is prepared by a qualified professional and addresses, to applicable numerical or risk based standards, the impacts of residual contaminants to receptors at the operating area;
 - b. includes a requirement that a qualified professional review actions taken under the Plan and prepare a report identifying whether the Plan was successfully implemented and whether risks to receptors have been mitigated; and
 - c. if the Plan involves the development of site specific risk based standards, the Plan and report identified in 1(b) must be prepared by a risk-based contaminated sites approved professional (CSAP).
2. Prepare and submit a work schedule for completion of any actions identified within the Plan and the report identified in 1b above.
3. Submit the Plan and the work schedule identified in Item 2 electronically to C&E@bcogc.ca.
4. By March 31, 2018, implement measures to prevent big game from ingesting contaminated soil on the operating area.

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 November 29, 2016, Shanghai became the permit holder of the operating area.
- ii. On February 12, 2015, the Commission became aware that soils and groundwater samples from the operating area were found to have contaminants in excess of the applicable standards and that contamination may be migrating from the operating area.
- iii. Residual salinity and hydrocarbon impacts remain at and in proximity to the operating area.
- iv. The operating area is adjacent to a sensitive receptor (Tsea River).
- v. In December, 2017, the Commission requested an acceptable implementation plan for remediation from Shanghai. To date an acceptable plan has not been received by the Commission.
- vi. In November, 2017, the Commission became aware of big game activity (tracks) concentrated within a contaminated portion of the operating area.
- vii. I am of the opinion this order is necessary to protect the environment.

Review and Appeal:

Shanghai may request a review of this order under section 70 of the Act by submitting a request for review to ogc.determinationreviews@bcogc.ca.

Shanghai 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 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



Patrick Smook
Director, Compliance and Enforcement
Oil and Gas Commission

DATED AT Fort St. John, in the Province of British Columbia, this 15th day of March, 2018.