
Made at Calgary, in the
Province of Alberta, on

January 4, 2021

ALBERTA ENERGY REGULATOR

Under sections 22, 26.2 and 27 of the *Oil and Gas Conservation Act (OGCA)*

Under sections 22.1 and 23 of the *Pipeline Act*

Mojek Resources Inc. (A719)

<redacted>

WHEREAS Mojek Resources Inc. (Mojek) is the holder of Business Associate (BA) code A719 and holds the well, facility, and pipeline licences granted by the Alberta Energy Regulator (AER) listed in Appendix 1 (collectively, the Mojek Licences);

WHEREAS Mojek is the operator of the sites and pipelines associated with the Mojek Licences (collectively, the Mojek Sites);

WHEREAS on August 20, 2020, the AER limited Mojek's license eligibility status under *Directive 067: Eligibility Requirements for Acquiring and Holding Energy Licences and Approvals* due to there being an unreasonable risk;

WHEREAS Mojek's license eligibility was limited in part, due to Mojek's poor compliance history, outstanding debts and security, and outstanding noncompliances, including two notices of noncompliance and an order concerning spills that have not been fully addressed or cleaned up;

WHEREAS as of the date of this Order, the AER has found that Mojek is in contravention of AER requirements as noted in Appendix 2;

WHEREAS in addition to the above noted contraventions, past contraventions and inspections have shown a pattern of noncompliance as noted in Appendix 2;

WHEREAS Blair Reilly, Director, Enforcement & Emergency Management, has the authority to issue orders under the *OGCA* and *Pipeline Act* (the Director);

WHEREAS the Director has reasonable grounds to believe that Mojek has contravened regulations and rules under the jurisdiction of the AER, and that it is necessary and appropriate to impose terms and conditions on Mojek to address those contraventions;

WHEREAS the Director is of the opinion that reasonable care and measures are not being taken to prevent impairment or damage at the Mojek Sites due to the outstanding contraventions and not fully addressing spills;

WHEREAS the Director met with Mojek on December 14, 2020 and reviewed the response from Mojek following that meeting.

WHEREAS Mojek has failed to provide additional information that this order should not be issued.

WHEREAS the Director finds that as a result of the failure to provide reasonable care and measures at the Mojek Sites it is necessary to suspend the wells and facilities and discontinue the pipelines associated with Mojek Licences in order to protect the public and the environment;

THEREFORE, I, Blair Reilly, Director, Enforcement & Emergency Management, under sections 22, 26.2 and 27 of the *OGCA* and sections 22.1 and 23 of the *Pipeline Act*, do hereby order the following:

Suspension

1. All Mojek wells and facilities are suspended immediately, and all pipelines are to be discontinued immediately, unless otherwise directed in writing by the Director.
2. All Mojek Sites must be shut down or closed in a manner acceptable to the AER;
 - a. All wells listed in Appendix 1 must be shut in, sealed, locked and chained in a manner acceptable to the AER no later than five (5) calendar days from the date of this Order;
 - b. All pipelines listed in Appendix 1 must be discontinued in a manner acceptable to the AER no later than five (5) calendar days from the date of this Order;
3. Mojek shall confirm in writing that Mojek's posted emergency number will remain active and will initiate an immediate response when called;
4. Any containment devices or equipment including, but not limited to, tanks, vessels, pipelines, lease piping, sumps, drains, tubs, containers, pits, or containment rings on any of the Mojek Sites must be depressurized, emptied (with all fluids removed from site and disposed of in a manner acceptable to the AER), and rendered safe in a manner acceptable to the AER no later than five (5) calendar days from the date of this Order;
5. Any hazards on Mojek Sites, including the pipelines, that present a risk to public safety or the environment, must be disclosed to the AER and addressed in a manner acceptable to the AER no later than five (5) calendar days from the date of this Order;

Reporting

6. Mojek must provide in writing to the Director, within 15 calendar days from the date of this Order, confirmation that all Mojek Sites have been closed and shutdown and the pipelines discontinued, to the satisfaction of the Director, in accordance with this Order.

Additional Terms and Conditions - Action Plan

7. Mojek, within 30 calendar days from the date of this Order, must submit, to the satisfaction of the Director, an Action Plan to demonstrate that reasonable care and measures are being provided at all Mojek Sites and the above stated contraventions will be addressed. The Action Plan shall include, at a minimum:
 - a. All actions that will be taken to address any outstanding noncompliances listed in Appendix 2;
 - b. All actions that have been and will be taken to ensure that *Directive 013: Suspension Requirements for Wells* requirements have been met for Mojek's wells;
 - c. All actions that have been taken to empty all containment devices or equipment of all fluids and remove these fluids from Mojek Sites;
 - d. All actions that have been and will be taken to discontinue and leave in a safe condition, all pipelines and related infrastructure above ground;
 - e. All actions that will be taken to address off-lease odours;
 - f. All actions that will be taken to address any substance releases that may occur;
 - g. Frequency of Site visits.

8. Mojek must implement the Action Plan as authorized until otherwise directed by the Director in writing.

Records Submission

9. If requested by the AER, Mojek shall submit, within two (2) business days, any records pertaining to the shut down and closure of the Mojek Sites.

General

10. In carrying out the requirements of this Order, Mojek shall obtain and comply with all required federal, provincial, or municipal permits and governing legislation and provide to the AER all authorizations obtained immediately upon receipt;

11. All plans and reports to be submitted to the Director under this order shall be submitted to <redacted>;

12. All applicable regulatory requirements are to be followed and complied with in the undertaking of any actions or direction prescribed under this Order;

13. Where a deadline has been specified in this Order, the Director may authorize in writing a different deadline or reporting frequency at the Director's discretion;

14. Pursuant to section 101 of the *OGCA* and section 28 of the *Pipeline Act*, Mojek, and its agents, are entitled to have access to and may enter on the land and any structures on the land concerned for the purposes of carrying out activities contemplated in this Order;

15. Failure to meet the conditions of this Order may result in an Abandonment Order for the Mojek Sites.

Dated at the City of Calgary in the Province of Alberta, the 04 day of January, 2021.

<original signed by>

Blair Reilly
Director, Enforcement & Emergency Management,
Alberta Energy Regulator

In complying with this order, the party or parties named must obtain all approvals necessary, notwithstanding the above requirements.

This order in no way precludes any enforcement actions being taken regarding this matter under the *OGCA*, *Pipeline Act*, or any other provincial or federal legislation, or by any other regulator with jurisdiction.

All enforcement actions issued by the AER may be subject to a follow-up review to confirm previous commitments have been completed and measures have been implemented, to ensure similar noncompliance's are prevented in the future. The AER may request any information that demonstrates steps have been taken to prevent repeat noncompliance's from occurring.

Under the *Responsible Energy Development Act*, an eligible person may appeal decisions that meet certain criteria. Eligible persons and appealable decisions are defined in section 36 of the *Responsible Energy Development Act* and section 3.1 of the *Responsible Energy Development Act General Regulation*. If you wish to file a request for regulatory appeal, you must submit your request according to the AER's requirements. You can find filing requirements and forms on the AER website, www.aer.ca, under Regulating Development: Regulatory Appeal Process.