
ENVIRONMENTAL PROTECTION AND ENHANCEMENT ACT

BEING CHAPTER E-12 R.S.A. 2000 (the "Act")

ENVIRONMENTAL PROTECTION ORDER NO. EPO-2014-03-SSR

Locke Stock & Barrel Company Ltd.
30131 Rocky Butte Ranch Road
Calgary, Alberta T3R 1K4

WHEREAS the Energy Resources Conservation Board ("ERCB") issued Abandonment Order (issued May 2009) No. AD2008-22A to Stampede Oils Inc. ("Stampede Oils") requiring abandonment of a well with ERCB Licence Number 0172949 (the "Well") on a portion of the land legally described as 7-25-20-3 W5M (the "Site"), in the Municipal District of Foothills No. 31, in the Province of Alberta;

WHEREAS the Site is owned by Malcolm McPherson (the "Landowner");

WHEREAS the Site on which the Well is located is "specified land" within the meaning of section 134(f) of the *Act* and section 1(t) of the *Conservation and Reclamation Regulation*, AR 115/93 (the "*Regulation*");

WHEREAS by letter dated May 21, 2009, Alberta Environment and Sustainable Resource Development ("ESRD") (as it is now known) advised Stampede Oils of the requirement under section 137 of the *Act* to reclaim the Site;

WHEREAS by letter dated July 14, 2009, Locke Stock & Barrel Company Ltd. (the "Operator") advised ESRD that acquired ownership from Price Waterhouse Cooper (Receiver for Stampede Oils) and now owned the Well and therefore is an "operator" within the meaning of section 134(b) of the *Act*;

WHEREAS the Well was abandoned during the winter of 2009/2010.

WHEREAS by letter dated July 14, 2009, the Operator committed to reclaiming the Site and provided ESRD with a schedule for reclamation activities beginning in August 2009;

WHEREAS on November 25, 2009, the Landowner contacted ESRD and indicated the Operator had not initiated reclaiming the Site;

WHEREAS by letter dated February 4, 2010, ESRD requested that the Operator submit to ESRD a plan and timeline to reclaim the Site by March 8, 2010;

WHEREAS the Phase 1 Environmental Site Assessment report was completed and dated May 1, 2011.

WHEREAS Phase 2 assessment and sampling was conducted August 2012.

WHEREAS ESRD inspected the Site on August 15, 2012, and confirmed the required reclamation had not been completed;

WHEREAS between November 2, 2012 and August 19, 2013, ESRD and the Operator exchanged correspondence regarding the requested reclamation plan and subsequent updates on remediation at the Site;

WHEREAS section 137(2)(c) of the *Act* states that "Where this Act requires that specified land must be conserved and reclaimed, the conservation and reclamation must be carried out in accordance with... the directions of an inspector or the Director;"

WHEREAS by letter dated August 21, 2013, ESRD issued the "directions of an inspector" to the Operator which included the following directions relating to the Site:

- (1) You must have contamination either removed from the site or meet AER Directive 50 requirements by November 30, 2013;
- (2) You must within 30 days of completing the remedial work outlined... in (1), provide to the Inspector written confirmation that the remedial measures undertaken pursuant to (1) have been completed.
- (3) You must submit a Reclamation Certificate application to the Department by December 31, 2015.
- (4) You must conduct weed maintenance and spraying monthly from the beginning of May to the end of October each field season.

WHEREAS on January 31, 2014, the Landowner advised ESRD that the Operator had not conducted any of the directions of the inspector other than spraying weeds on the Site during September 2013;

WHEREAS section 137 of the *Act* states that an operator must conserve and reclaim specified land, and obtain a reclamation certificate, unless exempted by the *Regulation* and must carry out the conservation and reclamation in accordance with the directions of an inspector;

WHEREAS to date, the Operator has not completed reclamation of the Site on which the Well is located;

WHEREAS to date, the Operator has not applied for, nor been granted, a reclamation certificate by ESRD;

WHEREAS section 140(a) of the *Act* and section 14(c) of the *Regulation* permit an inspector to issue an environmental protection order regarding conservation and reclamation to an operator directing the performance of any work if in the inspector's opinion the performance of work is necessary in order to conserve and reclaim specified land;

WHEREAS Leigh-Ann Williams-Jones, Environmental Protection Officer, South Saskatchewan Region, has been appointed an inspector under the *Act* for the purposes of issuing an

environmental protection order under section 140 of the Act (the "Inspector");

WHEREAS the Inspector is of the opinion the Operator has failed to conserve and reclaim the Site, and to meet the reclamation obligations in the *Act* and the *Regulation*;

WHEREAS the Inspector is of the opinion the performance of work at the Site is necessary in order to conserve and reclaim the Site;

THEREFORE, I, Leigh-Ann Williams-Jones, Environmental Protection Officer, South Saskatchewan Region, pursuant to section 140 of the *Act*, DO HEREBY ORDER:

1. The Operator shall conserve and reclaim the Site in accordance with the 2010 Reclamation Criteria for Wellsites and Associated Facilities (AENV).
2. The Operator shall, as part of the work required pursuant to paragraph 1, remediate any contamination that is found on the Site, or to any off-site areas, which has originated from the Well and any activities related to the Well.
3. The remedial work on any contamination that is found, shall be conducted in accordance with the Alberta Tier 1 or Tier 2 Soil and Groundwater Remediation Guidelines (AENV, 2007) ("the Guidelines"), as the case may be, and shall be completed no later than **March 31, 2015**.
4. Upon completion of any remedial work for any contamination required pursuant to paragraphs 1, 2, and 3, the Operator shall undertake confirmatory soil and/or groundwater sampling at appropriate intervals to demonstrate the remediation of the contamination meets the applicable Guidelines as set out in paragraph 3.
5. Within 30 days of completion of all work required pursuant to paragraphs 1 to 4, and in any event no later than **April 30, 2015**, the Operator shall submit a final report (the "Final Report") to the Director summarizing all the work that has been undertaken to remediate any contamination, including the confirmatory sampling results indicating that it meets the applicable Guidelines, and the work undertaken to conserve and reclaim the Site in accordance with all paragraphs of this Order.
6. On or before **December 31, 2016**, the Operator shall apply to ESRD for a reclamation certificate for the Well, pursuant to the requirements in the *Act* and *Regulation*, and shall supply any further information as required by ESRD in order to process the application for the reclamation certificate.

7. The Operator shall conduct weed spraying and maintenance on the Site at least twice yearly, no later than June 15 and September 30 each year, and ending on the date ESRD issues a reclamation certificate to the Operator pursuant to paragraph 6.

DATED at the City of Calgary in the Province of Alberta, this 27 day of March, 2014.

Original signed by:

Leigh-Ann Williams-Jones
Environmental Protection Officer
South Saskatchewan Region

Section 91 of the *Environmental Protection and Enhancement Act* may provide a right of appeal against this decision to the Alberta Environmental Appeals Board. There may be a strict time limit for filing such an appeal. A copy of section 91 is enclosed. For further information, please contact the Board Secretary at #306 Peace Hills Trust Tower, 10011 - 109 Street, Edmonton, Alberta, T5J 3S8; telephone (780) 427-6207; fax (780) 427-4693.

Notwithstanding the above requirements, the Party(ies) shall obtain all necessary approvals in complying with this order.

Take notice that this environmental protection order is a remedial tool only, and in no way precludes any enforcement proceedings being taken regarding this matter under this Act or any other legislation.