

March 25, 2025

Enforcement File: 2024-0149

Canlin Energy Corporation  
Suite 2400, 745 Thurlow Street  
Vancouver, BC, V6E 0C5

Attention: Jack Lee,

**RE: Warning : Failure to comply with section 41.1(3) of the Drilling and Production Regulation**

Dear Jack Lee,

Canlin Energy Corporation (Canlin) is the operator and permit holder for numerous wells in the North-East of British Columbia (BC). Permit holders who operate wells in BC have been required to complete screening surveys of wells since Leak Detection and Repair (LDAR) requirements within the Drilling and Production Regulation (DPR) came into effect on January 1, 2020. The requirement for companies to complete and submit these screening surveys are covered under section 41.1 of the DPR.

During the investigation of surveys conducted by Canlin for the year 2023, Regulator Staff determined that Canlin had submitted 50 screening surveys but failed to complete 50 screening surveys on wells contrary to section 41.1(3) of the Drilling and Production Regulation, now section 41.1(5).

Given the circumstances, Canlin is hereby issued a warning only for the following:  
Canlin, between January 1, 2023, and December 31, 2023, at or near Fort St. John, in the Province of BC, did fail to conduct screening surveys on 50 wells contrary to section 41.1(3) of the Drilling and Production Regulation.

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

Sincerely,

<original signed by>

Compliance and Enforcement Officer  
British Columbia Energy Regulator