

News Release

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AER directs WIPs and OWA to provide care and custody over Mojek's oil and gas sites

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March 17, 2021... The Alberta Energy Regulator (AER) has issued an order after repeated failure by Mojek Resources Inc. to comply with regulatory requirements in Alberta.

With this order, the AER is escalating enforcement against Mojek after it failed to clean up multiple spills, comply with multiple orders, and demonstrate that they can provide for the effective care and custody of their sites. The AER has directed the working interest participants and the Orphan Well Association (OWA) to provide care and custody over Mojek's sites.

Working interest participants are other parties that have a financial interest in a licensee's wells and facilities. When directed by the AER, they have a duty to provide reasonable care and measures when the licensee they have partnered with has failed or is unable to do so.

"We work with licensees to ensure they understand Alberta's rules, and the majority of companies follow those rules," said Blair Reilly, AER's director of Enforcement and Emergency Management. "When they don't, we take action to protect public safety and the environment."

The AER's order requires the OWA and Mojek's working interest participants to take a number of actions, including the following:

- suspending all of Mojek's wells, facilities, and pipelines and ensuring they are left in a state that is safe to the public and environment;
- addressing historical noncompliances at Mojek's sites;
- confirming an active emergency response number that will initiate an immediate response in an emergency; and
- providing a detailed plan that demonstrates how Mojek's wells, facilities, and pipelines will be cared for while they are suspended.

Following repeated attempts to bring Mojek into compliance, the AER suspended all of Mojek's operations in January 2021 and ordered the company to take action. The company remains in noncompliance with AER requirements. The order does not absolve Mojek from any of its responsibilities and liabilities, but ensures that the sites are responsibly attended to for the protection of the public and environment.



Mojek holds AER licences for 32 wells, 35 pipelines, and one facility, and currently owes \$1.76 million in security to the AER for its <u>end-of-life obligations</u>. The company also owes outstanding debts to the Orphan Well Association and the AER.

A copy of the order and past enforcement taken against Mojek can be found on the AER's <u>Compliance</u> <u>Dashboard</u> under the tab "Noncompliance and Enforcement."

The AER ensures the safe, efficient, orderly, and environmentally responsible development of hydrocarbon resources over their entire life cycle. This includes allocating and conserving water resources, managing public lands, and protecting the environment while providing economic benefits for all Albertans.

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