

News Release

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SanLing Energy Ltd to cease operations

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April 21, 2021... SanLing Energy Ltd. has informed the Alberta Energy Regulator (AER) that it intends to cease operations as of April 30.

As a result, the Orphan Well Association (OWA) has applied to the Court of Queen's Bench of Alberta to have a receiver assume control of SanLing's inventory. The AER supports this move, as a receiver will ensure appropriate care of SanLing's assets during an orderly transition of the inventory.

"Our repeated attempts to bring SanLing into compliance have failed," said Blair Reilly, AER director of Enforcement and Emergency Management. "While it's unfortunate SanLing has decided to cease operations, we have systems in place for when companies cannot meet their responsibilities to close and clean up their sites."

SanLing committed to an orderly transition of its assets to a receiver before it ceases operations. This includes maintaining its 24-hour emergency response number and responding to any incidents, ensuring adequate staffing, and maintaining care of its assets until a receiver is in place. The receiver will support a transition of SanLing's inventory to responsible parties, and the AER will orphan any remaining assets to the OWA for closure.

"Albertans know that times are tough and our province's energy industry is struggling," said Lars DePauw, executive director for the OWA. "In these times, sometimes companies fail. When this happens, the Orphan Well Association is here to ensure the problems these companies are experiencing don't become a problem for Albertans."

The AER will continue its regulatory oversight of SanLing's assets to ensure they are safe, transferred into the hands of responsible operators, or, as a last resort, transitioned to the OWA for closure.

Past enforcement action taken against the company can be found on the AER's Compliance Dashboard 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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