

ACTION PLAN FOR AER DECISION 2013-019

GRIZZLY RESOURCES LTD. SINOPEC DAYLIGHT ENERGY LTD.

APPLICATION FOR WELL, PIPELINE, AND FACILITY LICENCE AND A REGULATORY APPEAL OF A PIPELINE LICENCE, PEMBINA FIELD

ACTION ITEM	REQUIRED ACTION/COMMENTS	DECISION: 2013-019	AER PROCESS TO ENSURE FOLLOW-UP	STATUS & EVIDENCE
1 1-8 Well	Grizzly must drill the 1-8 well as a critical sour well even though it is not classified as one. All equipment and practices used to drill the 1-8 well must meet or exceed the requirements for critical sour wells in AER Directive 036: Drilling Blowout Prevention Requirements and Procedures and Enform's Industry Recommended Practice (IRP) Volume 1: Critical Sour Drilling.	Section: Paragraph 95 P. 15	Grizzly will submit a complete drilling plan for approval by the AER prior to drilling the 1-8 well. Subsequently, Drayton Valley Field Centre staff will complete a critical sour drilling operations inspection of the 1-8 well.	Completed - The drilling plan was submitted on December 5, 2013 and approved on December 6, 2013. The drilling inspection was completed on January 6, 2014.
2 Flaring	Grizzly must restrict flaring at the 1-8 well to no longer than a single period that lasts no longer than six hours during drilling and completion.	Section: Paragraph 96 P. 15	Once the flaring event is completed, Grizzly will submit a flaring report to the AER.	Completed - The 1-8 well has been abandoned and as such no flaring will occur.

The conditions imposed in approvals/licence(s) are monitored by the Alberta Energy Regulator (AER). The AER has developed a process whereby an action plan is developed internally to ensure that AER staff monitor conditions arising from decision reports for compliance. The conditions are managed in an action plan that is updated quarterly with statuses of conditions. The action plan defines the action required, timeframes for completion, and a summary of the evidence provided to confirm a condition was met. For more information, please contact the Action Plan Administrator at (403) 297-4289.