

ENVIRONMENTAL PROTECTION AND ENHANCEMENT ACT

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

ENVIRONMENTAL PROTECTION ORDER NO. EPO-EPEA-35659-09

JMB Crushing Systems Inc.
Suite 2300, Bentall 5 550, Burrard Street
Vancouver BC
V6C 2B5,
Canada

Byron Levkulich, Director
Suite 2300, Bentall 5 550, Burrard Street
Vancouver BC
V6C 2B5,
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Aaron Patsch, Director
Suite 2300, Bentall 5 550, Burrard Street
Vancouver BC
V6C 2B5,
Canada

Jeffrey Buck, former Director
JMB Crushing Systems Inc.
3439 Keswick Boulevard SW
Edmonton, AB
T6W 3B2

[Collectively, the "Parties"]

WHEREAS JMB Crushing Systems Inc. ["JMB"; the "Operator"] has operated a gravel pit [the "Pit"] on a portion of public land legally described as SW-21-063-12-W4M [the "Lands"] in Lac La Biche County, in the Province of Alberta;

WHEREAS the Pit is approximately 5.850 hectares in area. Appendix A to this Order contains a map showing the dimensions, location and features of the Pit;

WHEREAS the *Environmental Protection and Enhancement Act* ("EPEA") section 1(xx) defines pit as an operation on or excavation from the surface of the land for the purpose of removing sand and

gravel and includes any associated infrastructure;

WHEREAS the Lands are contained in surface material lease 980116 ("SML 980116") that is a disposition issued to JMB under the *Public Lands Act* on February 16, 1999;

WHEREAS Byron Levkulich, Aaron Patsch are Directors for JMB and Jeffrey Buck is a former Director of JMB;

WHEREAS the disposition agreement for SML 980116 currently in force dates to February 16, 1999;

WHEREAS on October 25, 1999 Alberta Environment and Parks ("AEP") approved the Conservation and Reclamation Plan ("CORP") for SML 980116;

WHEREAS on May 16, 2008 an Alberta Environment and Parks ("AEP") Public Lands Officer ["PLO"] inspected the Lands. Inspection notes record:

- The client does not need the pit anymore as gravel removal is complete;
- Reclamation is to be done that year;
- The Pit should be renewed for a short time to allow reclamation;
- Department is to send a letter outlining reclamation timeline and to request an increase the security deposit to ensure compliance; and
- Outstanding work includes brush disposal, levelling and back sloping, and vegetation establishment;

WHEREAS on February 15, 2009 SML 980116 expired;

WHEREAS on September 4, 2015 an AEP PLO inspected the Lands. Inspection notes record:

- Renewal not recommended, no indication the gravel pit is still in operation;
- Cattle currently grazing the site;
- Top soil piles are present;
- Invasive plants on site (Canada thistle) in concentrated areas by the top soil piles and along the access; and
- Reclamation remains outstanding;

WHEREAS on September 16, 2015 the PLO sent a letter to JMB requiring them to distribute the remaining topsoil pile be distributed evenly over the Pit;

WHEREAS on May 1, 2020 JMB entered into proceedings under the *Companies Creditors Arrangement Act*, R.S.C., 1985, c. C-36;

WHEREAS on December 18, 2020 the AEP EPO completed an inspection of the Lands and found:

- Access was barred by a locked gate. Access appeared shared with a CNRL installation;
- Cattle were present on the Lands;
- Good revegetation observed through sparse snow around the site including grasses, forbs,

trees, and shrubs; and

- A stockpile observed against the treeline on the northwest side. The stockpile was covered with grasses. Material was not determined due to the cattle present.

WHEREAS on February 23, 2021 the EPO spoke with Tyler PELL of JMB who stated:

- JMB's staff and consultants visited the pit December 11, 2020;
- JMB cannot comment on the nature of the stockpile;
- The Lands looked highly used by the cattle. There is no record of allowing grazing and he is concerned about the impact of cattle trails and use on reclamation;
- Thistle was present, but he wondered if this is due to cattle;
- There is a wet area off the access road, west of the line of spruce in the middle of the SML. Appeared to attract cattle; and
- They will need to assess if there is enough material to cover the outstanding reclamation area.

WHEREAS on March 15, 2021 the EPO identified that the access through the Pit was issued under an LOC in 1989;

WHEREAS the Parties are persons who carry on or have carried on an activity on or in respect of specified land other than pursuant to an approval or registration, and are persons who act as principal or agent of person(s) referred to in any of the *Environmental Protection and Enhancement Act* section 134(b)(i) to (vi), and therefore are operators;

WHEREAS the surface land disturbance in the Pit is "specified lands" as defined by the *Conservation and Reclamation Regulation* section 1(t)(v);

WHEREAS Clause 12 of the Indenture to SML 980116 commits the Operator to delivering the Lands to the Minister in a satisfactory condition upon cancellation of the lease [sic];

WHEREAS Clause 13 of the Indenture to SML 980116 commits the Operator to reclaiming the surface of the land in a manner satisfactory to the Minister;

WHEREAS Nathan Polturak, Environmental Protection Officer, North Region (the "Inspector"), has been designated as an Inspector for the purpose of issuing Environmental Protection Orders under section 140 of the *Environmental Protection and Enhancement Act*,

WHEREAS the Inspector is of the opinion that directing the performance of work is necessary in order to conserve and reclaim specified land;

THEREFORE, I, Nathan Polturak, Inspector, North Region pursuant to Section 140 of the *Environmental Protection and Enhancement Act*, DO HEREBY ORDER THAT:

1. The Parties shall not remove any stockpiled materials.
2. By **March 26, 2021**, the Parties shall submit to the Inspector for the Inspector's approval, the name and qualifications of a consultant who carries a professional designation authorized to practice reclamation on private land, which the Parties will retain to prepare and sign the below noted reclamation and remedial plan.
3. By **May 31, 2021**, the Parties shall submit to the Inspector for the Inspector's review and approval a written reclamation and remedial plan ("Plan").
4. The Parties shall include at minimum include all of the following in the Plan:
 - a. Particulars of the characteristics and properties of the land including topography, drainage, soils, vegetation and land capability.
 - b. A historical synopsis of the surface, subsurface and groundwater disturbance.
 - c. A description of the adjacent land uses.
 - d. An accounting of what volume of marketable aggregate is left within the Pit and its value.
 - e. A description of the reclamation work including the type of equipment, methods and materials that will be used in implementing the Plan.
 - f. A description of the proposed reclaimed land use that includes elevations, soil replacement and re-vegetation.
 - g. A description of how ground water infiltrating open excavations will be addressed and justification for any surface and water related improvements to be left in place.
 - h. A proposed Schedule of Implementation that shall have **September 20, 2022** as the completion date.
 - i. A six month monitoring and maintenance program commencing **September 20, 2022**.
5. Upon approval of the Plan by the Inspector, the Parties shall conduct the work described in the approved Plan, according to the approved schedule of implementation, unless otherwise authorized in writing by the Inspector.
6. The Parties shall submit progress updates to the Inspector on **July 30, 2021**, **November 30, 2021**, **March 31, 2022**, and **July 29, 2022** that include a detailed summary of all reclamation activities undertaken at the Pit;
7. Within 14 days of the completion of the requirements of this Order, the Parties shall

submit to the Inspector a final written report prepared and signed by the consultant describing the work undertaken to comply with this Order.

DATED at the Town of Lac La Biche in the Province of Alberta, this 19th day of March 2021.



Nathan Polturak
Inspector,
Environmental Protection Officer
North 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 Parties shall obtain all necessary authorizations 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.

APPENDIX A

SML 980116

Scale: 1 : 2,500

Meters 50 25 0 50 Meters

- Two Lane Undivided Paved Road
- One Lane Gravel Road
- Unimproved Road
- Cut Trail
- Lake or Major River
- Stream
- Dispositions
- Stockpile

Alberta
Government

Coordinate System: NAD 1983 UTM Zone 12N
 Produced by Northeast Geospatial Unit
 Created by: rhonda.cornors on 3/18/2021
 Project # NE-0560-000-00
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