



OBSIDIAN ENERGY POLICIES DRUG AND ALCOHOL POLICY

Approved by: President and Chief Executive Officer
Date: October 10, 2018

CONTENTS

- 1. INTRODUCTION**
 - 2. EXPECTATIONS FOR CONTRACTORS**
 - 3. DEFINITIONS**
 - 4. ALCOHOL & DRUG WORK RULES**
 - 5. OTHER REQUIRED/PROHIBITED BEHAVIOURS**
 - 6. PROCEDURES TO DETER AND DETECT BREACHES OF THIS POLICY**
 - 7. DRUG AND ALCOHOL TESTING**
 - 8. ACCOMMODATION AND RETURN TO WORK OF EMPLOYEES**
 - 9. COMPANY SOCIAL FUNCTIONS AND BUSINESS ENTERTAINMENT**
 - 10. SUMMARY OF RESPONSIBILITIES**
- APPENDIX A – STANDARDS**
- APPENDIX B – SAFETY SENSITIVE POSITION MATRIX**
- APPENDIX C – GUIDELINES FOR POST-INCIDENT TESTING**
- APPENDIX D – TESTING PROCEDURES**

1. INTRODUCTION

At Obsidian Energy we are committed to providing safe workplaces and to minimizing our impacts on the environment and the communities in which we operate. This Drug and Alcohol Policy (this “**Policy**”) and the procedures which support it will assist Obsidian Energy to deter and detect Drug and Alcohol use, to ensure a productive injury free workforce, and to protect both the environment and the members of the communities in which we operate.

We recognize that Substance dependency is a treatable illness. As such, this Policy also provides for the support of Employees with Substance dependency issues. Support measures include assessment and counselling by outside professionals, assurance of confidentiality, and reasonable job accommodation.

Obsidian Energy protects all personal information that is acquired by Obsidian Energy under this Policy including the results of any Drug or Alcohol testing in accordance with the Obsidian Energy [Privacy Policy](#).

2. EXPECTATIONS FOR CONTRACTORS

Contractors that provide services to Obsidian Energy must have in place and enforce a Drug and Alcohol policy that meets or exceeds the standards of this Policy or, in the absence of such policy, comply with, and ensure that their Contract Workers comply with this Policy. Contractors that are unable to demonstrate to Obsidian Energy's satisfaction that they actively manage risks associated with Drugs and Alcohol in the workplace will be in breach of this Policy. This requirement includes demonstrating to Obsidian Energy that their Contract Workers are aware of the contents of the Contractor's policy and Obsidian Energy's expectations as set out in this Policy, and that the Contractor has an active testing program. A breach of this Policy or Contractor's policy by a Contractor or Contract Worker is a material breach of this Policy, and any costs, losses or damages suffered or incurred by Obsidian Energy in connection with the breach shall be the responsibility of the Contractor.

This Policy is aligned with the *Canadian Model for Providing a Safe Workplace* (Version 6.0, July 1, 2018) developed by the Construction Owners Association of Alberta and Energy Safety Canada; this tool is recommended as a minimum standard for contractors.

3. DEFINITIONS

In this Policy:

"After Hours Call Out" refers to the occurrence of an abnormal operating event requiring attendance by a Worker outside of normal shift or work hours. An abnormal operating event could be an equipment failure, a spill, an alarm condition or any other event that means the site is not operating normally and requires intervention to return the site to normal operating condition.

"Alcohol" means the intoxicating agent in beverage alcohol, ethyl alcohol or other low molecular weight alcohols including methyl or isopropyl alcohol.

"Common Areas" include, without limit, sitting and television areas, food preparation and dining areas, sports, fitness and recreation areas, phone and storage rooms, stairwells, laundry or utility rooms, parking lots, and washrooms.

"Company" or **"Obsidian Energy"** means Obsidian Energy Ltd. and its subsidiaries.

"Company Worksite" means any place where Obsidian Energy conducts business including, without limitation, property, buildings, camps, road systems and vehicles (where such vehicle is being used for the purposes of carrying out employment or contractor duties, regardless of whether such vehicle is leased, rented or owned by Obsidian Energy, an Employee, a Contractor or a Contract Worker).

“Contractor” means any organization and its subcontractors of any tier that is engaged to perform services at a Company Worksite including, without limit, facility, maintenance, drilling, completion and associated services.

“Contract Worker” refers to any individual person performing services for Obsidian Energy that is not an Employee and includes all Contractor representatives, employees, consultants and agents and those of its subcontractors employed or engaged by a Contractor.

“Days-On” refers to Workers designated to respond to After Hours Call Outs.

“Drug” means any drug, chemical or agent that may be used to alter the way the body or mind functions in such a manner that a Worker may no longer be Fit for Duty.

“Employee” means all regular full time, part time, temporary casual and seasonal staff on the Obsidian Energy payroll.

“Fit for Duty” or **“Fitness for Duty”** means being able to safely and acceptably perform all assigned duties and any task under the working conditions present at the time that the task is to be completed without any limitations (including fatigue, drowsiness or loss of mental capacity) due to the use or after-effects of Drugs, Alcohol, or Medication.

“Formally On-Call” means the designated period during which a Worker may be called on to perform duties within the context of Obsidian Energy’s Emergency Response Plan or any other stakeholder responsibilities.

“Masking Agents” are substances used to interfere with Drug and Alcohol testing.

“Medical Review Officer” means a licensed physician responsible for receiving laboratory results generated through a Drug testing program who has knowledge of Substance abuse disorders and has appropriate medical training to interpret and evaluate an individual’s Drug test result together with his or her medical history.

“Medication” means Drugs that require a personal prescription from a treating physician and any over the counter Drugs.

“Negative Test Result” means a report from the Medical Review Officer that an individual who provided a specimen for Drug or Alcohol testing did not have a Drug or Alcohol concentration equal to or in excess of the limits set out in this Policy.

“Paraphernalia” means any equipment, product or material designed for, used or intended to be used for manufacturing, compounding, converting, concealing, preparing, using or introducing into the human body Drugs or Alcohol. This includes any product or device that may be used to tamper with or adulterate a Drug or Alcohol test sample.

“Positive Test Result” means a report from a Medical Review Officer that an individual who provided a specimen for Drug and Alcohol testing had a Drug or Alcohol concentration equal to or in excess of the limits set out in this Policy.

“Safety-Sensitive Position” means a position in which a Worker has a direct role in an operation such that performance impacted by Drug or Alcohol use could result in a Serious or Catastrophic incident (as defined in [SMART Element #3](#)) or the failure to adequately respond to an emergency situation. Safety Sensitive Positions are outlined on the Safety-Sensitive Assessment Tool (Appendix B.)

“Search” means physically inspecting a Company Worksite or Worker’s personal property (including vehicles, assigned rooms at camps, offices, lockers, luggage, and Common Areas) for the purpose of determining compliance with the Policy and may include hand searches or the use of a Sniffer Dog.

“Sniffer Dogs” are dogs which have been specially trained for the detection of Drugs or Alcohol.

“Substance” means Drugs, Alcohol and Medication, collectively, or any one or more of them.

“Substance Abuse Expert” means a licensed specialist such as a physician, social worker, psychologist or counselor with expertise and clinical experience in the diagnosis and treatment of disorders relating to Substance dependency and abuse.

“Third-Party Service Provider” means an independent external service engaged by Obsidian Energy to provide and coordinate the specimen collection, laboratory testing or Medical Review Officer services required in accordance with this Policy.

“Workers” are individuals performing services who are either Employees or Contract Workers.

4. ALCOHOL & DRUG WORK RULES

A Worker shall not while at a Company Worksite, use, possess or offer for sale Alcohol, Drugs, or any Masking Agent or other product or device that could impair or tamper with any sample for an alcohol or drug test.

- Exceptions include Medication (drugs) permitted under section 5(b) of this Policy and the service of Alcohol at Company sanctioned social functions as described in Section 9 of this Policy.
- If a Masking Agent is detected during testing, Obsidian Energy may cease testing in which case the result will be considered to be a Positive Test Result.
- Where a Contract Worker is found in possession of or using a Masking Agent, the Contractor providing the Contract Worker will be required, at its cost, to demonstrate and satisfy Obsidian Energy that the prohibition concerning Masking Agents has been clearly communicated to Contract Workers.

All Workers must be Fit for Duty, including those that are working Days-On, designated Formally On-Call and those that respond to an After Hours Call Out.

- All Workers are strictly prohibited from being impaired by Alcohol or Drugs on a Company Worksite or while carrying out any duties for Obsidian Energy, and a test result exceeding the limits outlined in Tables 1 or 2 in Appendix A shall be deemed hereunder to be indicative of impairment and a breach of this Policy.
- Consumption of Substances (except Medication that does not impact Fitness for Duty, or permitted consumption of Alcohol pursuant to Section 9 of this Policy) on a Company Worksite or while carrying out any duties for Obsidian Energy is strictly prohibited. The prohibition applies to all Workers and not only those that hold a Safety-Sensitive Position.

A Worker shall comply with requests to submit for Alcohol and/or Drug testing in accordance with this Policy, and are strictly prohibited from tampering with or substituting any sample or results of testing.

- Testing may be Pre-Employment, Pre-Access, Post-Incident, Reasonable Cause or Return-to-Work testing.
- Any Worker who refuses a request to be tested in accordance with this Policy is in breach of this Policy.

5. OTHER REQUIRED/PROHIBITED BEHAVIOURS

- (a) **Voluntary Disclosure of Substance Dependency** - Employees who believe they are suffering from Substance dependency or addiction, or an emerging Substance dependency or addiction problem, are required to disclose such dependency or addiction to Obsidian Energy. Any Employee who voluntarily discloses a Substance dependency or addiction will be provided with an opportunity to seek appropriate treatment from a Substance Abuse Expert in accordance with the Obsidian Energy Employee Assistance Program, and will be returned to work at such time as the Substance Abuse Expert determines that the Employee is Fit for Duty. The Obsidian Energy Employee Assistance Program is available to all Employees, and instructions for using this service are available on the Obsidian Energy intranet site. Any Employee who fails to voluntarily disclose a Substance dependency or addiction, and who produces a Positive Test Result, will be in breach of this Policy and will be subject to disciplinary action, up to and including the immediate termination of employment for just cause.
- (b) **Medication** – If a Worker scheduled to be on After Hours Call Out, Days On or Formally On-Call is concerned that due to the use of Medication or that for any other reason that they may not be Fit for Duty, they must advise their supervisor, arrange alternate coverage, and shall not report to work. Possession and use of Medication is permitted only if:

- (i) The prescription for any Medication used or possessed by a Worker is current, valid, and must have been prescribed in the name of such Worker;
- (ii) the Worker is using the prescription or non-prescription drug for its intended purpose and in the manner directed by the Worker's physician or pharmacist or the manufacturer of the drug;
- (iii) The use of the prescription or non-prescription drug does not adversely affect the Worker's ability to safely perform his or her duties, or
- (iv) Where there are potentially unsafe side effects associated with the use of the prescription or non-prescription drug, the Worker has notified his or her supervisor or manager before starting work of any potentially unsafe side effects, and the Worker complies with conditions and limitations set by the employer respecting the possession and use of the drug before reporting to or being at the company workplace or work site.

A Contractor whose Worker is using Medication that could affect the Worker's Fitness for Duty is required to report details of such use to Obsidian Energy, and to obtain prior consent of Obsidian Energy prior to the Worker attending to work at a Company Worksite.

Obsidian Energy, in its sole discretion, may refuse access to a Company Worksite to Workers who are using or under the influence of Medication. Obsidian Energy will make reasonable efforts to accommodate Workers with respect to the use of Medication, which may include reassignment of duties.

A supervisor or manager who has received a notification of Medication use may not disclose this information to any person other than a person who needs to know such information to discharge a statutory or common-law obligation.

- (c) **Valid Operator's License** – Maintaining a valid operator's license is a condition of employment in any position that requires the operation of a Company vehicle. Workers who may be required to operate Obsidian Energy vehicles are required to notify the Company immediately upon the suspension of or disqualification of their license to operate a motor vehicle, regardless of the reason or duration of the suspension or disqualification.
- (d) **Obsidian Energy Vehicles** – Operating a Company vehicle while impaired by Drugs or Alcohol as determined by the standards set out in Tables 1 and 2 of Appendix B (regardless of perceived impairment) is a violation of this Policy, and is strictly prohibited. Operation of a Company vehicle following the consumption of Medication is permitted where the Medication will not impact the fitness of the Worker to operate the vehicle. Obsidian Energy management will investigate every incident where there is an allegation of a breach of this Policy involving a Company vehicle.
- (e) **Breaches of this Policy** – Any Employee who is found to have breached this Policy will be subject to disciplinary action, up to and including the immediate termination of employment by Obsidian Energy in appropriate circumstances.

Contract Workers in breach of this Policy will not be permitted to return to work for Obsidian Energy without the prior written approval of Obsidian Energy's President & Chief Executive Officer or most senior Human Resources representative, or such other individual as may be designated by Obsidian Energy from time to time. A breach of this Policy is a material breach of the Contractor's contract with Obsidian Energy and Obsidian Energy may terminate the contract or master services agreement without notice at its sole discretion.

6. DRUG AND ALCOHOL TESTING

- (a) **Pre-employment testing** – Obsidian Energy may conduct Drug and Alcohol testing when considering persons for employment in Safety-Sensitive Positions or transferring Employees to a Safety-Sensitive Position from a non-Safety-Sensitive Position. Any offer of employment by Obsidian Energy for such a position shall be conditional upon a Negative Test Result.

Contract Workers working in a Safety-Sensitive Position must have passed a pre-employment Drug and Alcohol test. Obsidian Energy will not accept Contract Workers that have been grandfathered for any reason, including those that started working prior to the initiation of pre-employment testing by the Contractor. If a Contract Worker wishes to work for Obsidian Energy and was not pre-employment tested, they may elect to be tested and may be assigned to work in support of Obsidian Energy operations if they produce a Negative Test Result.

- (b) **Post-incident testing** – Obsidian Energy may conduct Drug and Alcohol testing for Workers in Safety-Sensitive Positions when a Worker is involved in an event specified in Appendix C. Such testing is not required where the responsible Obsidian Energy supervisor or manager is satisfied that there is clear evidence that the actions or omissions of a Worker could not have been a contributing factor (e.g. structural or mechanical failure or environmental factors). The failure by a responsible Obsidian Energy supervisor or manager to instruct that a test be conducted following an event specified in Appendix C as required by this Policy shall constitute a breach of this Policy by such supervisor or manager.

- (c) **Reasonable cause testing** – Where an Obsidian Energy supervisor, manager or security team member has reasonable grounds to believe that the actions, appearance or conduct of a Worker in a Safety-Sensitive Position is indicative of impairment by Drugs or Alcohol, the Worker will be required to submit to a Drug and Alcohol test. Reasonable grounds for testing include information established by the direct observation of the Worker conduct or other indicators, including (but not limited to) the following:

- observed use or evidence of use of a Substance (for example, smell of Alcohol on the Worker, or empty Alcohol containers in the vicinity of the Worker);
- observed signs of Drug or Alcohol impairment;
- erratic or atypical behaviour of the Worker;
- changes in the physical appearance of the Worker;
- changes in the behaviour of the Worker; or

- changes in the speech patterns of the Worker.

All Workers are required to immediately report to the responsible Obsidian Energy supervisor or manager observations that cause them to suspect that another Worker may be not be Fit for Duty. The failure by a Worker to report and the failure by the responsible Obsidian Energy supervisor or manager to instruct that a test be conducted where there are reasonable grounds for a test is a breach of this Policy.

- (d) **Return-to-Work Testing** – Drug and Alcohol testing shall be conducted before an Employee who has produced a Positive Test Result will be permitted to return to work at a Company Worksite. Such Employee's may also be subject to unscheduled testing as a condition of continued employment for a reasonable period of time following the Employee's return to work, as set out in a written return to work agreement between Obsidian Energy and the Employee.
- (e) **Site Access Testing** – Testing of all Workers in a Safety-Sensitive Position at a specific Company Worksite or project will be conducted where directed by the responsible Obsidian Energy manager or such individuals delegated this authority by the Obsidian Energy President and Chief Executive Officer.
- (f) **Searches of Company Worksites** – Searches may be conducted by an Obsidian Energy security team member to confirm compliance with this Policy. Searches must be based on reasonable cause (where indicators including behavior, odor or presence of paraphernalia indicate that there is reasonable cause to believe that Drugs or Alcohol are present in violation of this Policy).

Prior to assignment to work at a Company Worksite, Contractors will advise their Contract Workers that Obsidian Energy may search its work sites, camps and any individual or property on these locations to confirm compliance with this Policy.

7. DRUG AND ALCOHOL TESTING STANDARDS AND PROCEDURES

- (a) **Drug and Alcohol Testing Concentration Thresholds** – Drug and Alcohol test results shall be considered a Positive Test Result when they equal or exceed the concentrations set out in Appendix A.
- (b) **Testing Procedures** – Procedures for the testing of Workers are set out in Appendix D. In no circumstances will a Worker be permitted to return to work until a Negative Test Result is produced.

Obsidian Energy may utilize a member of its security team or a Third-Party Service Provider to test Workers. Where a Contract Worker is tested by Obsidian Energy, the Contract Worker is obligated to provide its consent to permit Obsidian Energy to release the test results to the Contractor's authorized representative. A refusal by a Contract Worker or the Contractor to have the Worker submit to a Drug and Alcohol test or to provide this consent is a breach of this Policy.

Obsidian Energy may permit Contractors to manage the testing of their Contract Workers where testing is conducted for reasonable cause or post-incident. The Contractor must confirm to Obsidian Energy within one hour of a request to test a Contract Worker that the tester will be on site and will have completed the testing within the period of eight (8) hours of the request to test or incident (whichever is earlier). If the testers fail to arrive or the testing is not completed within the time limits for Drug and Alcohol testing detailed herein, in the absence of the administration of a test by Obsidian Energy, this will be considered a breach of this Policy.

Where the Contractor arranges for the testing of its Contract Workers, the name of the individual and test result (verified Positive Test Result, Negative Test Result, tampered or substituted) will be provided to Obsidian Energy. The Contractor's policy or process must include the requirement that its Contract Workers consent to the provision of this information to Obsidian Energy.

- (c) **Internal Communication of Test Results** – Where a Contract Worker is tested either for reasonable cause or post-incident and produces a Positive Test Result, the results will be provided to the Obsidian Energy Manager responsible for the Company Worksite. The most senior Human Resources representative (or designated alternate) will be provided with Drug and Alcohol test results for Employees.
- (d) **Response to Positive Test Results** – Confirmed Positive Test Results will be reviewed by a qualified Medical Review Officer who will discuss the result with the Worker in an effort to determine whether a Positive Test Result could have resulted from the legitimate use of Medication or other medical explanations. The individual concerned will be given the opportunity to explain the finding to the Medical Review Officer who will then determine whether the result will be reported as a Negative Test Result, verified Positive Test Result, a tampered, or substituted result.

In the case of a verified Positive Test Result of a urine test, the Worker who has been tested may request within seventy-two hours of receiving their results that the Medical Review Officer direct the split sample to be tested by an accredited laboratory of that Worker's choice. Where split samples are not collected, the Worker may request that the original sample be reanalyzed. If a second confirmed Positive Test is reported, the Worker who requested the second analysis is responsible for reimbursing Obsidian Energy for the associated costs.

A Worker who produces a Positive Test Result, a tampered, or substituted result is in breach of this Policy.

8. ACCOMODATION AND RETURN TO WORK OF EMPLOYEES

Before returning to work following a breach of this Policy, an Employee must satisfy the following conditions:

- (a) The Employee must have complied with the recommendations of the Substance Abuse Expert;

- (b) The Employee must agree in writing to a return to work agreement which will outline the conditions governing the return to work and the consequences for failing to meet such conditions;
- (c) The Employee must be recommended for return to work by the Substance Abuse Expert and the most senior Human Resources representative (or designate);
- (d) The Employee must undergo a return to work test and have a Negative Test Result from the return-to-work test;
- (e) If recommended by a Substance Abuse Professional, the Employee must agree to submit to unscheduled Drug and Alcohol testing; and
- (f) Where a Substance Abuse Professional advises that there may be a risk that prevents an Employee from performing work in a Safety-Sensitive Position (includes risk to the Employee or other Workers) the Employee may only return to work in a non-Safety-Sensitive Position. Obsidian Energy shall make reasonable efforts to accommodate the Employee through reassignment to a suitable non Safety-Sensitive Position, if available.

The failure by an Employee to comply with the terms of a return to work agreement is a breach of this Policy.

9. COMPANY SOCIAL FUNCTIONS AND BUSINESS ENTERTAINMENT

The possession or use Alcohol will be permitted on Obsidian Energy premises only when authorized by an Executive Officer of Obsidian Energy. The possession or use of Marijuana or other Drugs (except for Medication as outlined in 5 (b)) on Obsidian Energy premises is strictly prohibited.

When Alcohol is served at a Company-related social function the responsible manager, or their designate, is accountable to ensure that appropriate steps are taken to minimize the potential for over-consumption at the social event and impaired driving following the social event. Alternative transportation options must be in place at any such function and may include designated drivers or taxi service depending upon the location of the event. This includes any Company related social function on Obsidian Energy premises and those that take place outside of or conclude after core working hours.

On occasion, Workers attend to conferences, social, cultural or sporting events as a guest of a Contractor in order to develop and foster goodwill among business partners.

During such business entertainment:

- If Workers are expected to return to work and/or take work related calls during or following the event, they must ensure they are in compliance with this policy;
- Any consumption of Alcohol must be responsible and Workers are accountable to ensure that their actions do not negatively reflect on Obsidian Energy;

- Workers are accountable for ensuring that alternative transportation arrangements are in place prior to consuming Alcohol. Impaired operation of any motor vehicle is strictly prohibited; and
- The Company will pay for taxi fare to ensure Workers have a safe ride home. Transportation is provided to reinforce safe and lawful conduct and is not to be interpreted as encouraging or condoning excessive consumption.

10. SUMMARY OF RESPONSIBILITIES

To facilitate compliance with and for quick reference by Workers, the following sets out a summary of the responsibilities for Workers and Obsidian Energy departments. The list of responsibilities below is not intended to be an exhaustive list and the full Policy should be referenced.

(a) All Workers are responsible for:

- Taking responsibility for ensuring their own safety and the safety of others.
- Reporting Fit for Duty whether they are working Days On, are Formally On-Call or responding to an After Hours Call Out or otherwise performing work duties, within or outside of regular working hours.
- Understanding and complying with this Policy as part of their obligation to safely perform their work.
- Using Medication responsibly and notifying their supervisor in advance of any potential side effects that may impair their ability to work safely.
- Notifying a supervisor if they believe that any Worker may not be Fit for Duty.
- Cooperating with an investigation into a violation of this Policy, including any request to submit to Drug and Alcohol testing.

(b) In addition to the responsibilities outlined for Workers, supervisors and managers are responsible for:

- Understanding this Policy and the associated procedures for training, testing and monitoring compliance.
- Reinforcing workplace safety by maintaining a high level of awareness among their Workers of the safety risks that arise from the use of Drugs and Alcohol.
- Being observant for outward indications that a Worker may be impaired at a Company Worksite or may have a Substance abuse problem and responding to these in accordance with this Policy.
- Ensuring that any Worker who exhibits outward signs of impairment by Drugs, Alcohol, or Medication is safely removed from the Company Worksite.
- Requesting and arranging for a Drug and Alcohol test in a post-incident or reasonable cause situation as required by this Policy.

- Ensuring that a Worker tested under this Policy does not return to work until either a preliminary or confirmed Negative Test Result is received.
- Where a Contract Worker is tested under this Policy, confirming with the Contractor whether the test result is a Negative or Positive Test Result. (Details as to the substance or concentrations generating the result are not to be obtained.)
- Ensuring that breaches of this Policy are recorded as an event in SHEAR Web.
- Ensuring that the training required by Obsidian Energy in regard to the Policy is completed by those Workers reporting to such supervisor or manager.

(c) The **Human Resources Department** is responsible as follows:

- In matters concerning Positive Test Results for Employees and the Company's response, subsequent treatment and return to work, the most senior Human Resources representative (or designated alternate) is responsible for communications with the Employee, the Employee's management, the Medical Review Officer and the Substance Abuse Expert and final decisions regarding the Employee's management, including any disciplinary action taken.
- The most senior Human Resources representative (or senior alternate) is responsible for receiving and handling Negative Test Results and communicates to the Obsidian Energy representative responsible for the Company Worksite that the Worker may return to work.
- The Human Resources Department may provide information to Employees concerning Drug and Alcohol abuse, and shall provide referral to Obsidian Energy's Employee Assistance Program, but shall not provide counselling.
- Arrange Substance Abuse Expert assessments and return to work agreements and monitoring of all return to work arrangements.
- Controlling all communication and records concerning test results and Company response to breaches of this Policy in a confidential manner and in compliance with privacy legislation. Information shall be disclosed to management only on a need-to-know basis.
- Initiation of approved disciplinary action against Employees, where appropriate for violations of this Policy.

(d) The **Health & Safety Department** is responsible for:

- Providing Obsidian Energy with the industry standards upon which this Policy is based and the procedures for Policy compliance and keeping up to date with any changes.
- Developing and implementing appropriate training programs that will promote awareness of, and confirm knowledge and understanding of the Policy.

- Selecting and engaging the Third-Party Service Provider used for Drug and Alcohol testing of Employees and Contract Workers, and ensuring supervisors and managers are appropriately trained in the use of this service.
- Reviewing the Drug and Alcohol policies of Contractors to confirm adherence to this Policy.
- Tracking breaches of this Policy as reported through SHEAR in order to identify issues requiring intervention by Obsidian Energy to further minimize the risk of Drugs and Alcohol to its operations

David French, President and Chief
Executive Officer

Date

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APPENDIX A – STANDARDS

The limits for the presence of Drugs in the body that determine compliance with this Policy are the standards of the U.S. Substance Abuse and Mental Health Services Administration. These standards have been accepted by the Standards Council of Canada for certifying laboratories in Canada for forensic urine Drug testing.

The limits for the presence of Alcohol in the body that determine compliance with this Policy are identical to those set by the U.S. Department of Transport. Breath and saliva testing devices used to conduct Alcohol screening and confirmation must be listed in the U.S. National Highway Traffic Safety Administration's (NHTSA) conforming products list.

Drug testing on behalf of Obsidian Energy is done in compliance with standards of the U.S. Department of Health and Human Services and only by laboratories certified by the U.S. Substance Abuse and Mental Health Services Administration, which certifies laboratories in both Canada and the U.S.

Drug and Alcohol test results shall be considered a Positive Test Result when they equal or exceed the following concentrations:

Table 1: Alcohol Breath Concentration Limits:

Screening level	Confirmation level
0.02 grams per 210 litres of breath	0.02 grams per 210 litres of breath

Table 2: Urine Drugs Concentration Limits:

Initial test analyte	Confirmatory test analyte	Screening Concentration equal to or in excess of ng/mL	Confirmation concentration equal to or in excess of ng/mL
Marijuana metabolites	THCA ¹	50	15
Cocaine metabolites	Benzoyllecgonine	150	100
Opioids (Codeine/Morphine ²)	Codeine	2000	2000
	Morphine	2000	2000
	Hydrocodone	300	100
	Hydromorphone	300	100
	Oxycodone	100	100
	Oxymorphone	100	100
6-Acetylmorphine	6-Acetylmorphine	10	10
Phencyclidine	Phencyclidine	25	25
Amphetamines ³ AMP/MAMP ⁴	Amphetamines	500	-
	Amphetamine	-	250
	Methamphetamine ⁵	500	250
	MDMA ⁶	-	250
	MDA ⁷	-	250

- 1 Delta-9-tetrahydrocannabinol-9-carboxylic acid (THCA).
- 2 Morphine is the target analyte for codeine/morphine testing.
- 3 Either a single initial test kit or multiple initial test kits may be used provided the single test kit detects each target analyte independently at the specified cutoff.
- 4 Methamphetamine is the target analyte for amphetamine/methamphetamine testing.
- 5 To be reported as positive for methamphetamine, a specimen must also contain amphetamine at a concentration equal to or greater than 100 ng/mL.
- 6 Methylenedioxyamphetamine (MDMA).
- 7 Methylenedioxyamphetamine (MDA).

APPENDIX B – SAFETY SENSITIVE POSITIONS

Table 3: Safety Sensitive Position Assessment Tool

		Work Activities - Specific exposure to risks				
		A1	A2	A3	A4	A5
		- Office based admin, computer support - Non-third-party camp accommodations and meal services	- Site abandonment and remediation (no equipment decommissioning - low density of workers)	- Seismic operations - Construction operation and maintenance of plant equipment (smaller, lower energy equipment) - On-site supervision and technical support of above - Non-third-party camp food preparation	- Drilling, completion and tie-in operations - Fracking operations - Well servicing operations - Safety watch, hot watch - Heavy equipment transport - Heavy lifts - On-site supervision and technical support of above	- Construction operation and maintenance of plant equipment (larger, higher energy equipment - high density of workers) - Plant maintenance and turnarounds - Commissioning/startup or decommissioning/disassembly of larger, higher energy equipment - On-site supervision and technical support of above
Work environment - General exposure to risks	E1	Non-operating Locations	Non-Safety Sensitive (typical circumstances)	Safety Sensitive (typical circumstances)		
	E2	Minor Risk Operations (identified hazards, low density of workers) - Brownfield site - Pipeline right-of-way (ROW)				
	E3	Considerable risk operations - Production facilities - Pipeline compressor/pump stations				
	E4	Major risk operations - Ris sites, fracking sites - Proximity to moving and/or (higher) energized equipment - Proximity to environmentally sensitive areas				
	E5	Construction sites Turnaround sites				
	E6	Driving (company business)				
	E7	Remote sites (long emergency response time) Working alone				
		<i>By industry agreement, all construction sites, all maintenance or turnaround sites and the activity of driving are considered safety-sensitive environments. ¹</i>				

1. Source: Canadian Model for Providing a Safe Workplace (Version 6.0, July 1, 2018) developed by the Construction Owners Association of Alberta and Energy Safety Canada

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APPENDIX C – EVENTS REQUIRING POST-INCIDENT TESTING

Post-incident Testing is required where a Worker is involved in an incident or near-miss incident, accident or safety violation, including (but not limited to) any incident or near miss that did or may have resulted in the following:

1. An injury requiring medical treatment;
2. A lost time injury or an injury requiring modifications to the Worker's regular duties;
3. A motor vehicle Accident or Incident;
4. An incident that result is significant equipment or property damage; or
5. An incident risk-ranked as unacceptable/high-risk.

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APPENDIX D – TESTING PROCESS MAPS

Testing Process Maps include:

- Post-Incident Testing – Obsidian Energy Managed
- Post Incident Testing – Contractor Managed
- Reasonable Cause Testing – Obsidian Energy Managed
- Reasonable Cause Testing – Contractor Managed

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