



# ERCB Monthly Enforcement Action Summary

March 2009

**ENERGY RESOURCES CONSERVATION BOARD**  
**ST108: ERCB Monthly Enforcement Action Summary, March 2009**

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High Risk Compliance Category Statistics				
ERCB	Compliance Category	March 2009		
		Initial Audits/ Inspections	Number of High Risk Noncompliance	Compliance Rate with High Risk Noncompliance
<b>Applications Branch</b>				
Facilities Applications Group Audit Section	Participant Involvement	82	1	98.8%
	Facilities Technical	13	3	77%
	Pipelines/Pipeline Installations Technical	16	0	100%
	Wells Technical	62	0	100%
Resources Applications Group Enforcement & Surveillance Section and Coal Section	Control Wells	N/A	1	N/A
	Commingling	N/A	5	N/A
	Injection/Disposal	N/A	1	N/A
	Groundwater Protection	N/A	9	N/A
	Spacing	N/A	1	N/A
<b>Subtotal</b>		<b>173</b>	<b>21</b>	<b>88%</b>
<b>Compliance and Operations Branch</b>				
Operations Group Production Operations Section	Production Measurement & Reporting	11	8	27%
Environment Group Waste and Storage Section	Oilfield Waste Generator	3	3	0%
	Drilling Waste Audits	2	2	0%
Well Operations Section	Flaring, Incinerating, and Venting Audits	3	1	67%
<b>Subtotal</b>		<b>19</b>	<b>14</b>	<b>26%</b>
<b>Public Safety/Field Surveillance Branch</b>				
	Drilling Operations	29	4	86%
	Well Servicing	51	2	96%
	Oil Facilities	365	2	99.5%
	Gas Facilities	438	6	98.6%
	Pipelines	225	16	93%
	Drilling Waste	8	0	100%
	Well Site Inspections	472	3	99.2%
	Waste Management	8	1	88%
<b>Subtotal</b>		<b>1596</b>	<b>34</b>	<b>98%</b>
<b>Resources Branch</b>				
Geology and Reserves Group Reserves & Allowables Section	Oil Overproduction	406	4	99.0%
<b>Subtotal</b>		<b>406</b>	<b>4</b>	<b>99.0%</b>
<b>Fort McMurray</b>				
	Mineable Oil Sands	n/a	1	n/a
<b>Total Audit/Inspections High Risk</b>		<b>2194</b>	<b>74</b>	<b>96.6%</b>

Note: Compliance category data are evaluated annually and results presented in *ST99 ERCB Provincial Surveillance and Compliance Summary*.

High Risk Enforcement Action 1 <sup>1</sup>						
#	Licensee	ERCB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Surface Location	ERCB Action(s) and Licensee Response
1	Advantage Oil & Gas Ltd.	Field Surveillance/ Pipelines	Pipeline is operating but is shown as discontinued or abandoned in ERCB records.	March 10, 2009	04-09-047-08W4  M.D. of Wainwright	Operations were not suspended, as there was no existing or potential impact/hazard to the environment or the public.  Licensee submitted an application to amend the licence.  Licensee provided a plan to address the noncompliance and prevent future occurrences.  Compliance achieved.
2	Apache Canada Ltd.	Field Surveillance/ Pipelines	Damage by others – proper procedures were not followed.	March 17, 2009	10-21-038-07W4  M.D. of Provost	Operations suspended.  Licensee required to provide a plan to address the noncompliance and prevent future occurrences.  Licensee reviewed its ground disturbance policies and procedures with all staff.  Licensee provided a plan to address the noncompliance and prevent future occurrences.  Compliance achieved.
3	Apache Canada Ltd.	Resources Applications/ Control Wells	Failure to resolve issues or notify the ERCB of unresolved issues.	March 20, 2009	04-22-043-21W4 09-28-043-21W4 12-36-043-22W4 16-29-042-21W4 06-28-042-21W4 14-29-042-21W4 05-32-042-21W4 Camrose County	Licensee confirmed in writing that the noncompliance has been addressed and that the well has been shut in and will remain shut in until the requisite approval is obtained.  Licensee provided a plan to address the noncompliance and prevent future occurrences.  Currently under review.

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#	Licensee	ERCB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Surface Location	ERCB Action(s) and Licensee Response
4	Apache Canada Ltd.	Resources Applications/ Commingling	Commingling without approval.	March 31, 2009	11-30-033-03W5 06-27-033-04W5 08-04-034-04W5 Mountain View County	<p>Licensee confirmed in writing that the noncompliance has been addressed and that the well has been shut in and will remain shut in until the requisite approval is obtained.</p> <p>Licensee provided a plan to address the noncompliance and prevent future occurrences.</p> <p>Compliance achieved.</p>
5	ARC Resources Ltd.	Field Surveillance/ Drilling Operations	Accumulator pressure dropped below 8400 kPa after function test (of all required BOP components) with the recharge pump off.	March 23, 2009	15-27-048-07W5  Brazeau County	<p>Operations suspended.</p> <p>Licensee implemented new procedures for checking accumulator function tests.</p> <p>Licensee provided a plan to address the noncompliance and prevent future occurrences.</p> <p>Compliance achieved.</p>
6	Arcan Resources Ltd.	Geology and Reserves/ Oil Overproduction	Failure to retire oil overproduction.	March 4, 2009	05-17-096-09W6  Clear Hills County	<p>Operations not suspended because all cumulative overproduction has been retired.</p> <p>Licensee confirmed in writing that all overproduction is retired.</p> <p>Licensee was directed to develop and implement a plan to address the noncompliance and prevent future occurrences.</p> <p>All overproduction retired.</p> <p>Compliance achieved.</p>

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7	Arcan Resources Ltd.	Resources Applications/ Injection/Disposal	Injection or disposal without approval.	March 16, 2009	14-28-068-08W5 M.D. of Big Lakes	<p>Licensee confirmed in writing that the noncompliance has been addressed and that the well has been shut in and will remain shut in until requirements have been met in accordance with <i>Directive 051: Injection and Disposal Wells - Well Classifications, Completions, Logging and Testing Requirements</i> and <i>Directive 065: Resources Applications for Conventional Oil and Gas Reservoirs</i></p> <p>Licensee provided a plan to address the noncompliance and prevent future occurrences.</p> <p>Licensee resumed injection operations prior to receiving <i>Directive 051</i> approval.</p> <p>Compliance not achieved.</p>
8	Artemis Exploration Inc.	Environment Group/ Oilfield Waste Generator Audits	Oilfield waste was not properly classified as either dangerous (DOW) or non-dangerous (non-DOW).	March 6, 2009	07-04-041-03W4 M.D. of Provost	<p>Suspension of operations at this time was not deemed appropriate as disposal operations were completed in 2007.</p> <p>Licensee provided a plan to address the noncompliance and prevent future occurrences.</p> <p>Compliance achieved.</p>

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9	Artemis Exploration Inc.	Environment Group/ Oilfield Waste Generator Audits	Oilfield waste was not properly classified as either dangerous (DOW) or non-dangerous (non- DOW).  Oilfield waste was transferred to an unapproved transfer station.	March 6, 2009	05-03-041-03W4  M.D. of Provost	Suspension of operations at this time was not deemed appropriate. as disposal operations were completed in 2007.  Licensee provided a plan to address the noncompliance and prevent future occurrences.  Compliance achieved.
10	Auriga Energy Inc.	Field Surveillance/ Pipelines	Pressure Testing -safety precautions unsatisfactory.	March 24, 2009	10-31-055-20W4  Strathcona County	Operations suspended.  Licensee updated its pipeline integrity and management policies.  Licensee provided a plan to address the noncompliance and prevent future occurrences.  Compliance achieved.
11	Berens Energy Ltd.	Field Surveillance/ Drilling Operations	Noncompliance with other ERCB requirements - Abandonment procedures not in accordance with Directive 020 requirements: 1) Cement plug must be pressure tested at a stabilized pressure of 7000 kPa for 10 minutes. 2) The location of the cement plug must be confirmed by one of the approved methods described in Appendix 1.	March 5, 2009	09-35-048-13W5  Yellowhead County	Operations were not suspended, as abandonment operations had already occurred.  Licensee updated internal procedures.  Licensee provided a plan to address the noncompliance and prevent future occurrences.  Compliance achieved.

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12	Bonavista Petroleum Ltd.	Facilities Applications/ Facilities Technical	Not completing an acceptable noise impact assessment prior to application.	March 17, 2009	16-30-060-13W5  Woodlands County	Operations were not suspended, as there was no existing potential impact/hazard to the environment or the public.  Licensee provided a plan to address the noncompliance and prevent future occurrences.  Compliance achieved.
13	Bonavista Petroleum Ltd.	Operations Group/ Production Measurement and Reporting	Inaccurate reporting of vent gas.  Inaccurate accounting and reporting of actual hydrocarbons liquid production.  Inaccurate accounting and reporting of actual gas production.	March 27, 2009	02-20-036-03W5  Red Deer County	Operations were not suspended, as there was no existing or potential impact/hazard to the environment or the public.  Licensee submitted its amended accounting figures.  Licensee provided a plan to address the noncompliance and prevent future occurrences.  Currently under review.
14	Canadian Natural Resources Limited	Fort McMurray/ Mineable Oil Sands	Venting, flaring or wasting of any significant amount of gaseous or liquid hydrocarbon without the permission of the Board except in case of emergency.	March 4, 2009	Approval No. 9752A	Operations were not suspended, as there was no existing or potential impact/hazard to the environment or the public.  Licensee provided a plan to address the noncompliance and prevent future occurrences.  Compliance achieved.

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15	Canadian Natural Resources Limited	Field Surveillance/ Pipelines	Pipeline is operating but is shown as discontinued or abandoned in ERCB records.	March 17, 2009	04-34-067-04W6  M.D. of Greenview	<p>Operations were not suspended, as the pipeline was discontinued, the line will retain its current discontinued status and shall not be returned to service until the line integrity is proved, and proper ERCB approvals have been attained.</p> <p>Licensee capped the pipeline and left it abandoned.</p> <p>Licensee provided a plan to address the noncompliance and prevent future occurrences.</p> <p>Compliance achieved.</p>
16	Canadian Natural Resources Limited	Field Surveillance/ Oil Facilities	Spill on/off lease not adequately controlled/ cleaned up.	March 24, 2009	12-36-011-17W4  M.D. of Taber	<p>Operations were not suspended, as there was no immediate threat to either public safety or the environment because the licensee cleaned up the spill immediately.</p> <p>Licensee provided a plan to address the noncompliance and prevent future occurrences.</p> <p>Compliance achieved.</p>
17	CCS Inc.	Public Safety/Field Surveillance Branch/ Waste Facilities	Flame-type equipment without workable flame arrester less than 25 m from a process vessel.	March 6, 2009	12-31-077-05W6  M.D. of Spirit River	<p>Operations were not suspended, as the noncompliance was corrected at the time of the inspection.</p> <p>Licensee installed nuts/bolts on the flame arrester.</p> <p>Licensee provided a plan to address the noncompliance and prevent future occurrences.</p> <p>Compliance achieved.</p>

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18	ConocoPhillips Canada (BRC) Ltd.	Operations Group/ Production Measurement and Reporting	<p>Inaccurate vent gas estimation.</p> <p>Inaccurate gas volume calculations.</p> <p>Inaccurate accounting and reporting of gas dispositions.</p> <p>Inaccurate accounting and reporting of gas receipts.</p> <p>Inaccurate reporting of flare gas.</p> <p>Inaccurate reporting of vent gas.</p> <p>Inaccurate accounting and reporting of actual hydrocarbons liquid production.</p> <p>Inaccurate accounting and reporting of actual gas production.</p>	March 24, 2009	<p>11-10-064-05W6</p> <p>M.D. of Greenview</p>	<p>Operations were not suspended, as there was no existing or potential impact/hazard to the environment or the public.</p> <p>Licensee submitted its amended accounting figures.</p> <p>Licensee provided a plan to address the noncompliance and prevent future occurrences.</p> <p>Currently under review.</p>
19	Crocotta Energy Inc.	Facilities Applications/ Facilities Technical	Not completing an acceptable noise impact assessment prior to filing the application.	March 17, 2009	<p>04-20-061-11W5</p> <p>Woodlands County</p>	<p>Licence(s) was not cancelled or suspended, as the noncompliance was promptly corrected.</p> <p>Licensee provided a plan to address the noncompliance and prevent future occurrences.</p> <p>Compliance achieved.</p>

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20	Daylight Energy Ltd.	Field Surveillance/ Pipelines	Road crossings are unsatisfactory – pipeline wall thickness does not meet the requirements.	March 6, 2009	01-05-069-12W6  County of Grande Prairie	Operations suspended.  Licensee installed a thicker walled pipeline to meet the requirements.  Licensee provided a plan to address the noncompliance and prevent future occurrences.  Compliance achieved.
21	Devon Canada	Operations Group/ Production Measurement and Reporting	Inaccurate accounting and reporting of actual gas production.	March 20, 2009	01-33-041-06W5  Clearwater County	Operations were not suspended, as there was no existing or potential impact/hazard to the environment or the public.  Licensee submitted its amended accounting figures.  Licensee provided a plan to address the noncompliance and prevent future occurrences.  Currently under review.
22	Devon Canada	Operations Group/ Production Measurement and Reporting	Inaccurate accounting and reporting of actual gas production.  Inaccurate accounting and reporting gas receipts.  Inaccurate accounting and reporting of actual water production.	March 20, 2009	01-33-041-06W5  Clearwater County	Operations were not suspended, as there was no existing or potential impact/hazard to the environment or the public.  Licensee submitted its amended accounting figures.  Licensee provided a plan to address the noncompliance and prevent future occurrences.  Currently under review.

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23	Devon Canada Corporation	Field Surveillance/ Oil Facilities	Noncompliant with other ERCB requirement – extensive staining and spillage having the potential to adversely impact the environment.	March 20, 2009	10-36-038-08W5  Clearwater County	Operations were not suspended, as the noncompliance was promptly corrected.  Licensee cleaned up the spill.  Licensee provided a plan to address the noncompliance and prevent future occurrences.  Compliance achieved.
24	Eagle Rock Exploration Ltd.	Operations Group/ Flaring, Incinerating, and Venting Audits	Flaring solution gas from an oil/bitumen well with a gas oil ration greater than 3000 m <sup>3</sup> /m <sup>3</sup>	March 4, 2009	06-15-001-16W4  Medicine Hat	Operations suspended.  Licensee required to provide a plan to address the noncompliance and prevent future occurrences.  A meeting was held with the operator on March 30, 2009. An action plan has been submitted but gas conservation has not been implemented.  The facility will remain shut in until gas conservation has been implemented.
25	Eagle Rock Exploration Ltd.	Field Surveillance/ Gas Facilities	Underground tank(s) not tested at the required 3-year frequency/operator cannot demonstrate tank integrity.	March 6, 2009	14-15-001-16W4  Cypress County	Operations suspended.  Licensee tested the tank(s).  Licensee provided a plan to address the noncompliance and prevent future occurrences.  Compliance achieved.

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26	EnCana Corporation	Resources Applications/ Commingling	Commingling without approval.	March 18, 2009	08-30-017-18W4 16-34-017-18W4  Vulcan County	Licensee confirmed in writing that the noncompliance has been addressed.  Licensee provided a plan to address the noncompliance and prevent future occurrences.  Currently under review.
27	EnCana Corporation	Resources Applications/ Spacing	Failure to apply to rescind or vary the area of a holding when common ownership is no longer in place.	March 18, 2009	Sections 29, 30 and 31-017-18W4.  Vulcan County	Milk River, Medicine Hat, and White Speckled Shale operations were not suspended, as compliance was promptly restored.  Licensee provided a summary of future plans with respect to production from the Belly River from the Belly River Holdings.  Licensee provided a plan to address the noncompliance and prevent future occurrences.  Compliance achieved.
28	EnCana Corporation	Resources Applications/ Commingling	Commingling without approval.	March 20, 2009	13-22-027-21W4  Kneehill County	Licensee confirmed in writing that the noncompliance has been addressed and that the well has been shut in and will remain shut in until the requisite approval is obtained.  Licensee provided a plan to address the noncompliance and prevent future occurrences.  Compliance achieved.

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29	EnCana Corporation	Field Surveillance/ Drilling Operations	Blowout preventer hydraulic line end fittings located within 7 m of the wellbore not fire rated.	March 26, 2009	12-05-079-11W6  Saddle Hills County	Operations suspended.  Licensee installed the correct type of end fittings that were fire rated.  Licensee provided a plan to address the noncompliance and prevent future occurrences.  Compliance achieved.
30	EnCana Oil & Gas Co. Ltd.	Field Surveillance/ Well Site Inspection	Noncompliant with other ERCB requirement – contaminated material stored directly on the ground.	March 19, 2009	13-03-083-20W4  M.D. of Opportunity	Operations were not suspended, as there was no existing or potential impact/hazard to the environment or the public.  Licensee cleaned up the contaminated material.  Licensee provided a plan to address the noncompliance and prevent future occurrences.  Compliance achieved.

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#	Licensee	ERCB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Surface Location	ERCB Action(s) and Licensee Response
31	Enterra Energy Corp.	Resources Applications/ Groundwater Protection	Failure to immediately notify the ERCB of water production above the threshold.	March 3, 2009	02-04-039-03W4 M.D. of Provost	<p>Operations were not suspended, in accordance with <i>Directive 044: Requirements for the Surveillance, Sampling, and Analysis of Water Production in Oil and Gas Wells Completed Above the Base of Groundwater Protection</i>.</p> <p>Licensee determined the source and composition of the produced water and provided a water analysis.</p> <p>Licensee provided a plan to address the noncompliance and prevent future occurrences.</p> <p>Compliance achieved.</p>
32	EOG Resources Canada Inc.	Resources Applications/ Commingling	Improper use of the decision trees.	March 20, 2009	06-13-030-24W4 Kneehill County	<p>Licensee confirmed in writing that the noncompliance has been addressed and that the well has been shut in and will remain shut in until the requisite approval is obtained.</p> <p>Licensee provided a plan to address the noncompliance and prevent future occurrences.</p> <p>Currently under review.</p>

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33	Exshaw Oil Corp.	Geology and Reserves/ Oil Overproduction	Failure to retire oil overproduction.	March 31, 2009	14-21-077-07W6  Saddle Hills County	<p>Operations not suspended because all cumulative overproduction has been retired.</p> <p>Licensee confirmed in writing that all overproduction is retired.</p> <p>Licensee was directed to develop and implement a plan to address the noncompliance and prevent future occurrences.</p> <p>All overproduction retired.</p> <p>Compliance achieved.</p>
34	Fairmount Energy Inc.	Resources Applications/ Groundwater Protection	Failure to immediately notify the ERCB of water production above the threshold.	March 3, 2009	05-13-049-28W4  Leduc County	<p>Operations were not suspended, in accordance with <i>Directive 044: Requirements for the Surveillance, Sampling, and Analysis of Water Production in Oil and Gas Wells Completed Above the Base of Groundwater Protection</i>.</p> <p>Licensee determined the source and composition of the produced water and provided a water analysis.</p> <p>Licensee provided a plan to address the noncompliance and prevent future occurrences.</p> <p>Currently under review.</p>

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35	Fairwest Energy Corporation	Resources Applications/ Groundwater Protection	Failure to immediately notify the ERCB of water production above the threshold.	March 3, 2009	05-04-032-09W4 Special Area 4 (near Youngstown)  04-25-032-10W4 Special Area 2 (near Richdale)	<p>Operations were not suspended, in accordance with <i>Directive 044: Requirements for the Surveillance, Sampling, and Analysis of Water Production in Oil and Gas Wells Completed Above the Base of Groundwater Protection</i>.</p> <p>Licensee determined the source and composition of the produced water and provided a water analysis, under review.</p> <p>Licensee provided a plan to address the noncompliance and prevent future occurrences.</p> <p>Currently under review.</p>
36	Great Plains Exploration Inc.	Field Surveillance/ Gas Facilities	Flame-type equipment without workable flame arrester less than 25 m from a process vessel.	March 24, 2009	02-20-066-21W4  County of Athabasca	<p>Operations were not suspended as the noncompliance was corrected during the inspection.</p> <p>Licensee installed the screw plate.</p> <p>Licensee provided a plan to address the noncompliance and prevent future occurrences.</p> <p>Compliance achieved.</p>

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37	Harvest Operations Corp.	Resources Applications/ Groundwater Protection	Failure to immediately notify the ERCB of water production above the threshold.	March 3, 2009	11-13-074-01W5 M.D. of Lesser Slave River  02-07-087-10W5 Northern Sunrise County	<p>Operations were not suspended, in accordance with <i>Directive 044: Requirements for the Surveillance, Sampling, and Analysis of Water Production in Oil and Gas Wells Completed Above the Base of Groundwater Protection</i>.</p> <p>Licensee determined the source and composition of the produced water and provided a water analysis.</p> <p>Licensee provided a plan to address the noncompliance and prevent future occurrences.</p> <p>Currently under review.</p>
38	Harvest Operations Corp.	Geology and Reserves/ Oil Overproduction	Failure to retire oil overproduction.	March 31, 2009	07-06-044-06W5  Clearwater County	<p>Licensee confirmed that the well has been shut in and will remain shut in until all overproduction has been retired.</p> <p>Licensee was directed to develop and implement a plan to address the noncompliance and prevent future occurrences.</p> <p>All overproduction retired.</p> <p>Compliance achieved.</p>
39	Husky Oil Operations Limited	Field Surveillance/ Pipelines	Mechanical excavation takes place within 5 m of existing pipeline prior to hand exposure.	March 23, 2009	09-32-108-07W6  M.D. of Mackenzie	<p>Operations suspended.</p> <p>Licensee reviewed its ground disturbance policies with staff.</p> <p>Licensee provided a plan to address the noncompliance and prevent future occurrences.</p> <p>Compliance achieved.</p>

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40	Intrepid Energy Corporation	Field Surveillance/ Pipelines	Pipeline sign missing or defaced on both sides of a crossing.	March 27, 2009	16-18-036-01W5  Red Deer County	Operations were not suspended, as the licensee installed new signs.  Licensee provided a plan to address the noncompliance and prevent future occurrences.  Compliance achieved.
41	Iteration Energy Ltd.	Resources Applications/ Groundwater Protection	Failure to immediately notify the ERCB of water production above the threshold.	March 3, 2009	11-03-079-14W4 Lac La Biche County	Operations were not suspended, in accordance with <i>Directive 044: Requirements for the Surveillance, Sampling, and Analysis of Water Production in Oil and Gas Wells Completed Above the Base of Groundwater Protection</i> .  Licensee determined the source and composition of the produced water and provided a water analysis.  Licensee provided a plan to address the noncompliance and prevent future occurrences.  Currently under review.
42	Just Freehold Energy Corp.	Field Surveillance/ Well Site Inspection	Residents within required radius not notified or flaring or venting (Directive 060).	March 13, 2009	10-19-038-26W4  Red Deer County	Operations were not suspended as the well is shut in.  Licensee implemented new flaring and venting procedures to ensure notification is completed.  Licensee provided a plan to address the noncompliance and prevent future occurrences.  Compliance achieved.

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43	Koch Exploration Canada G/P Ltd.	Facilities Applications/ Participant Involvement	Incomplete public and/or industry personal consultation and notification prior to filing the application.	March 24, 2009	16-34-080-18W5  Northern Sunrise County	<p>License(s) not cancelled or suspended as the noncompliance was promptly corrected.</p> <p>Licensee provided a plan to address the noncompliance and prevent future occurrences.</p> <p>Compliance achieved.</p>
44	Korea National Oil Corporation	Field Surveillance/ Well Site Inspection	Noncompliance with other ERCB regulations and requirements - release criteria in Directive 055/Directive 058 not met prior to release.	March 4, 2009	01-12-076-07W4  Regional Municipality of Wood Buffalo	<p>Operations were not suspended because the flow test at this location was complete, the released fluid was frozen and no additional fluids would be piped off site.</p> <p>Licensee has updated internal procedures to ensure that all fluids meet the minimum required criteria of ERCB directives prior to any controlled release of fluids offsite.</p> <p>Licensee has updated internal procedures to ensure that contact is regularly made with ERCB and Alberta Environment during the course of field work.</p> <p>Licensee provided a plan to address the noncompliance and prevent future occurrences.</p> <p>Compliance achieved.</p>

If you require further information, contact Customer Contact Centre, 403-297-8311 or [Inquiries@ercb.ca](mailto:Inquiries@ercb.ca).

High Risk Enforcement Action 1 <sup>1</sup>						
#	Licensee	ERCB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Surface Location	ERCB Action(s) and Licensee Response
45	Mec Operating Company ULC	Field Surveillance/ Gas Facilities	Flare gas/acid gas/ vented gas -no acid gas measurement, or total acid gas not measured.	March 4, 2009	07-23-049-27W4 Leduc County	<p>Operations were not suspended, as there was no existing or potential impact/hazard to the environment or the public.</p> <p>Licensee installed a dilution gas meter.</p> <p>Licensee provided a plan to address the noncompliance and prevent future occurrences.</p> <p>Compliance achieved.</p>
46	NAL Resources Limited	Geology and Reserves/ Oil Overproduction	Failure to retire oil overproduction.	March 4, 2009	10-19-024-19W4 Wheatland County	<p>Licensee confirmed that the well has been shut in and will remain shut in until all overproduction has been retired.</p> <p>Licensee was directed to develop and implement a plan to address the noncompliance and prevent future occurrences.</p> <p>All overproduction retired.</p> <p>Compliance achieved.</p>

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High Risk Enforcement Action 1 <sup>1</sup>						
#	Licensee	ERCB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Surface Location	ERCB Action(s) and Licensee Response
47	NEO Exploration Inc.	Resources Applications/ Groundwater Protection	Failure to immediately notify the ERCB of water production above the threshold.	March 3, 2009	08-18-010-15W4 09-33-010-15W4  M.D. of Taber	<p>Operations were not suspended, in accordance with <i>Directive 044: Requirements for the Surveillance, Sampling, and Analysis of Water Production in Oil and Gas Wells Completed Above the Base of Groundwater Protection</i>.</p> <p>Licensee determined the source and composition of the produced water and provided a water analysis.</p> <p>Licensee provided a plan to address the noncompliance and prevent future occurrences.</p> <p>Currently under review.</p>
48	Paramount Energy Operating Corp.	Resources Applications/ Groundwater Protection	Failure to immediately notify the ERCB of water production above the threshold.	March 3, 2009	09-26-079-06W4 05-12-080-06W4 Regional Municipality of Wood Buffalo	<p>Operations were not suspended, in accordance with <i>Directive 044: Requirements for the Surveillance, Sampling, and Analysis of Water Production in Oil and Gas Wells Completed Above the Base of Groundwater Protection</i>.</p> <p>Licensee to determine the source and composition of the produced water and provide a water analysis. Extension granted due to winter access.</p> <p>Licensee provided a plan to address the noncompliance and prevent future occurrences—under review and extension granted due to winter access.</p>

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High Risk Enforcement Action 1 <sup>1</sup>						
#	Licensee	ERCB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Surface Location	ERCB Action(s) and Licensee Response
49	Petro Buyers Inc.	Field Surveillance/ Pipelines	Operator is aware of a reportable release but neglects to report it.	March 2, 2009	04-36-049-06W5  Brazeau County	Operations suspended.  Licensee cleaned up the spill.  Licensee provided a plan to address the noncompliance and prevent future occurrences.  Compliance achieved.
50	Petro Buyers Inc.	Field Surveillance/ Pipelines	Controlled Area - disregard for the requirements for marking of pipelines inside a controlled area.	March 3, 2009	04-36-049-06W5  Brazeau County	Operations were not suspended, as the pipeline was already shut in due to a recent pipeline failure.  Licensee located and marked all within required 30 m search area prior to resuming excavation.  Licensee updated procedures on preparation for ground disturbance.  Licensee provided a plan to address the noncompliance and prevent future occurrences.  Require a plan to address the noncompliance and prevent future occurrences.  Compliance achieved.
51	Petro Buyers Inc.	Field Surveillance/ Pipelines	No operations and maintenance procedures manual, or not followed.  External Corrosion Control/Cathodic Surveys -Cathodic protection system-not operational or not installed.	March 6, 2009	04-36-049-06W5  Brazeau County	Operations suspended.  Licensee installed a cathodic protection system.  Licensee provided a plan to address the noncompliance and prevent future occurrences.  Compliance achieved.

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High Risk Enforcement Action 1 <sup>1</sup>						
#	Licensee	ERCB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Surface Location	ERCB Action(s) and Licensee Response
52	Petro Buyers Inc.	Field Surveillance/ Pipelines	No operations and maintenance procedures manual, or not followed.  External Corrosion Control/Cathodic Surveys -Cathodic protection system-not operational or not installed.  Internal Corrosion Control -Internal corrosion control—no monitoring and mitigation in corrosive environment.	March 10, 2009	12-35-049-06W5  Brazeau County	Operations suspended.  Licensee implemented an operations and maintenance procedures manual.  Licensee installed a cathodic protection system.  Licensee implemented a corrosion control program.  Licensee provided a plan to address the noncompliance and prevent future occurrences.  Compliance achieved.
53	Peyto Exploration & Development Corp.	Environment Group/ Drilling Waste Audits	ERCB approval was not obtained by licensee when using advanced gel chemical system.	March 16, 2009	09-23-055-21W5 11-23-055-20W5  Yellowhead County	Suspension of operations at this time was not deemed appropriate as disposal operations were completed in 2008.  Licensee provided a plan to address the noncompliance and prevent future occurrences.  Compliance achieved.
54	Peyto Exploration & Development Corp.	Environment Group/ Drilling Waste Audits	Sump closure was not completed within 12 months of drilling rig release.	March 16, 2009	16-03-054-22W5  Yellowhead County	Operations were not suspended, as further delays to the disposal operations would have resulted in a further risk to the environment.  Licensee provided a plan to address the noncompliance and prevent future occurrences.  Compliance achieved.

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High Risk Enforcement Action 1 <sup>1</sup>						
#	Licensee	ERCB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Surface Location	ERCB Action(s) and Licensee Response
55	Power Play Resources Ltd.	Facilities Applications/ Facilities Technical	Not completing an acceptable noise impact assessment prior to filing an application.	March 5, 2009	09-18-082-07W6 Saddle Hills County	<p>Licence(s) not cancelled or suspended, as the noncompliance was promptly corrected.</p> <p>Licensee provided a plan to address the noncompliance and prevent future occurrences.</p> <p>Compliance achieved.</p>
56	Provident Acquisitions Inc.	Field Surveillance/ Pipelines	Corrosion Internal - There is no documented monitoring or mitigation program in place and/or company is not following program.	March 18, 2009	14-07-014-18W4 M.D. of Taber	<p>Operations were not suspended, as the failed segment of the pipeline has been isolated and repaired and is no longer in use.</p> <p>Licensee implemented a corrosion control program to help address abandoned segments of pipelines.</p> <p>Licensee provided a plan to address the noncompliance and prevent future occurrences.</p> <p>Compliance achieved.</p>
57	Provident Energy Ltd.	Operations Group/ Production Measurement and Reporting	Inaccurate reporting of vent gas.	March 27, 2009	14-23-040-02W5 Ponoka County	<p>Operations were not suspended, as there was no existing or potential impact/hazard to the environment or the public.</p> <p>Licensee submitted its amended accounting figures.</p> <p>Licensee provided a plan to address the noncompliance and prevent future occurrences.</p> <p>Currently under review.</p>

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High Risk Enforcement Action 1 <sup>1</sup>						
#	Licensee	ERCB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Surface Location	ERCB Action(s) and Licensee Response
58	Provident Energy Ltd.	Operations Group/ Production Measurement and Reporting	Inaccurate reporting of vent gas.  No approval when required.  Inaccurate accounting and reporting of actual gas production.  Inaccurate accounting and reporting of gas dispositions.	March 27, 2009	14-25-040-02W5  Lacombe County	Operations were not suspended, as there was no existing or potential impact/hazard to the environment or the public.  Licensee submitted its amended accounting figures.  Licensee provided a plan to address the noncompliance and prevent future occurrences.  Currently under review.
59	Sabretooth Energy Ltd.	Resources Applications/ Groundwater Protection	Failure to immediately notify the ERCB of water production above the threshold.	March 3, 2009	09-15-079-10W6  Saddle Hills County	Operations were not suspended, in accordance with <i>Directive 044: Requirements for the Surveillance, Sampling, and Analysis of Water Production in Oil and Gas Wells Completed Above the Base of Groundwater Protection</i> .  Licensee determined the source and composition of the produced water and provided a water analysis.  Licensee provided a plan to address the noncompliance and prevent future occurrences.  Compliance achieved.

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High Risk Enforcement Action 1 <sup>1</sup>						
#	Licensee	ERCB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Surface Location	ERCB Action(s) and Licensee Response
60	Second Wave Petroleum Inc.	Field Surveillance/ Drilling Operations	Accumulator pressure dropped below 8400 kPa after function test (of all required BOP components) with the recharge pump off.	March 2, 2009	08-20-038-03W4  M.D. of Provost	Operations suspended.  Licensee repaired the accumulator and performed a function test.  Licensee provided a plan to address the noncompliance and prevent future occurrences.  Compliance achieved.
61	SemCAMS ULC	Field Surveillance/ Gas Facilities	H <sub>2</sub> S emissions off lease (identify source and cause).	March 20, 2009	05-31-054-22W5  Yellowhead County	Operations were not suspended, as mitigative measures have been put in place by shutting off the fuel gas that flows into this tank.  Licensee made repairs to the tank that was the source of the odour(s).  Licensee provided a plan to address the noncompliance and prevent future occurrences.  Compliance achieved.
62	Strike Petroleum Ltd.	Field Surveillance/ Pipelines	Corrosion External - Cathodic protection not installed within one year of service/operation.	March 20, 2009	08-08-020-19W4  Vulcan County	Operations suspended.  Licensee repaired the pipeline and installed a cathodic protection program.  Licensee provided a plan to address the noncompliance and prevent future occurrences.  Compliance achieved.

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High Risk Enforcement Action 1 <sup>1</sup>						
#	Licensee	ERCB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Surface Location	ERCB Action(s) and Licensee Response
63	Sword Energy Inc.	Operations Group/ Production Measurement and Reporting	Delivery point hydrocarbon liquid measuring device does not exist, is not installed correctly, or in use.	March 27, 2009	04-25-023-14W4  Special Area 2 (near Cessford)	Operations were not suspended, as there was no existing or potential impact/hazard to the environment or the public.  Licensee submitted its amended accounting figures.  Licensee provided a plan to address the noncompliance and prevent future occurrences.  Currently under review.
64	Taqa North Ltd.	Field Surveillance/ Gas Facilities	Flame-type equipment without workable flame arrester less than 25 m from a process vessel.	March 20, 2009	08-12-039-08W5  Clearwater County	Operations were not suspended, as the noncompliance was promptly corrected.  Licensee installed nuts/bolts on the flame arrester.  Licensee provided a plan to address the noncompliance and prevent future occurrences.  Compliance achieved.
65	Vermilion Resources Ltd.	Resources Applications/ Commingling	Commingling without approval.	March 20, 2009	10-24-064-22W4 County of Athabasca  14-32-042-01W5 Ponoka County	Licensee confirmed in writing that the noncompliance has been addressed and that the well has been shut in and will remain shut in until the requisite approval is obtained.  Licensee provided a plan to address the noncompliance and prevent future occurrences.  Compliance achieved.

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High Risk Enforcement Action 1 <sup>1</sup>						
#	Licensee	ERCB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Surface Location	ERCB Action(s) and Licensee Response
66	Winstar Resources Ltd.	Operations Group/ Production Measurement and Reporting	Inaccurate reporting of vent gas.  Delivery point hydrocarbon liquid measuring device does not exist, is not installed correctly, or in use.	March 30, 2009	12-06-008-15W4  M.D. of Taber	Operations were not suspended, as there was no existing or potential impact/hazard to the environment or the public.  Licensee submitted its amended accounting figures.  Licensee provided a plan to address the noncompliance and prevent future occurrences.  Currently under review.
67	Yellow Brick Energy Ltd.	Resources Applications/ Groundwater Protection	Failure to immediately notify the ERCB of water production above the threshold.	March 3, 2009	06-16-036-01W5  Red Deer County	Operations were not suspended, in accordance with <i>Directive 044: Requirements for the Surveillance, Sampling, and Analysis of Water Production in Oil and Gas Wells Completed Above the Base of Groundwater Protection.</i>  Licensee determined the source and composition of the produced water and provided a water analysis.  Licensee provided a plan to address the noncompliance and prevent future occurrences.  Currently under review.

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High Risk Enforcement Action 1 <sup>1</sup>						
#	Licensee	ERCB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Surface Location	ERCB Action(s) and Licensee Response
68	Zargon Oil & Gas Ltd.	Field Surveillance/ Well Servicing	Noncompliant with other ERCB requirement – no documentation on <i>Directive 033: Well Servicing and Completions Operations - Interim Requirement Regarding the Potential for Explosive Mixtures and Ignition in Wells.</i>	March 2, 2009	05-01-008-17W4  M.D. of Taber	Operations suspended.  Licensee reviewed the requirements of <i>Directive 033</i> .  Licensee provided a plan to address the noncompliance and prevent future occurrences.  Compliance achieved.
69	Zargon Oil & Gas Ltd.	Field Surveillance/ Well Servicing	Crew blowout preventer training - Crew drills not being performed.	March 4, 2009	07-21-050-10W5  Brazeau County	Operations were not suspended, as the well servicing operations had been completed for the day.  Licensee implemented checklists to ensure that crew drills are being performed.  Licensee provided a plan to address the noncompliance and prevent future occurrences.  Compliance achieved.

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High Risk Enforcement Action 2 (Persistent Noncompliance) <sup>2</sup>						
#	Licensee	ERCB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Surface Location	ERCB Action(s) and Licensee Response
1	Penn West Petroleum Ltd.	Field Surveillance/ Pipelines	Poor construction practices resulting in failure within one year's service/operation.	March 5, 2009	10-25-067-10W5 M.D. of Big Lakes	<p>Licensee had a previous High Risk Action 2 in this category and failed to operate in compliance within the 60-day time period.</p> <p>Operations suspended.</p> <p>Licensee repaired the pipeline and corrected the improper support of the pipeline.</p> <p>Licensee provided a plan to address the noncompliance and prevent future occurrences.</p> <p>Licensee met with the ERCB to review its action plan.</p> <p>Compliance achieved.</p>

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High Risk Enforcement Action 3 (Failure to Comply or Demonstrated Disregard) <sup>3</sup>						
#	Licensee	ERCB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Surface Location	ERCB Action(s) and Licensee Response
	None					

If you require further information, contact Customer Contact Centre, 403-297-8311 or [Inquiries@ercb.ca](mailto:Inquiries@ercb.ca).

Low Risk Enforcement Action – Global REFER Summary<sup>4</sup>

#	Licensee	ERCB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Surface Location	ERCB Action(s) and Licensee Follow-up
1	Devexco Resources Ltd.	Corporate Compliance/ Noncompliance with Liability Management Program Requirements	Failure to pay security deposit.	March 4, 2009	Well licences: 01-06-045-04W4 08-06-045-04W4 09-06-045-04W4 M.D. of Wainwright  02-13-029-02W5 Mountain View County  03-07-057-01W5 06-07-057-01W5 County of Barrhead  Facility licence: 00/03-07-057-01W5 County of Barrhead  Pipelines: 01-06-045-04W4 M.D. of Wainwright	This is an escalation from previous enforcement actions reported on December 30, 2008, and January 21, 2009.  Global Refer status.  Issuance of Abandonment Orders No. AD 2009-7, AD 2009-8, AD 2009 –9, AD 2009-10, AD 2009 -11 AND Closure/Abandonment Order No.: AD 2009-12.  Abandonment of well and facility licences, and suspension and abandonment of pipeline licences.  Licensee required to abandon the licences or pay the security deposit and provide a written explanation acceptable to the ERCB addressing the failure to respond and detailing steps to prevent future occurrences. Senior Devexco Resources representatives with provincial authority must meet with the ERCB to review Devexco Resources Ltd.'s noncompliant history and corrective action plan.  Devexco Resources Ltd. successfully transferred three well licences to an eligible licensee, fully secured its post-transfer LLR, provided a written explanation addressing the failure to respond and detailing steps to prevent future occurrences, and met with the ERCB's Enforcement Section

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Low Risk Enforcement Action – Global REFER Summary<sup>4</sup>

#	Licensee	ERCB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Surface Location	ERCB Action(s) and Licensee Follow-up
						to review Devexco Resources Ltd.'s noncompliant history and corrective action plan.  Compliance achieved.
2	First West Petroleum Inc.	Corporate Compliance/ Noncompliance with Liability Management Program Requirements	Failure to pay security deposit.	March 9, 2009	Well licences: 07-12-026-03W4 07-12-026-03W4 09-12-026-03W4 12-12-026-03W4 14-12-026-03W4 M.D. of Acadia  08-16-034-16W4 County of Stettler 01-32-047-06W4 01-32-047-06W4 07-32-047-06W4 08-32-047-06W4 08-32-047-06W4 County of Vermilion River  11-28-052-01W5 12-30-054-01W5 Parkland County  04-05-055-24W4 Sturgeon County  05-03-058-14W5 Woodlands County  05-31-066-23W4 01-36-066-24W4 County of Athabasca  Facility licence: 00/01-32-047-06W4 County of Vermilion River	This is an escalation from a previous enforcement action initially reported on February 20, 2009.  Global Refer status.  Issuance of Closure Orders No. C 1147 and C 1150  Suspension of well and facility licences.  Licensee required to pay the security deposit and provide a written explanation acceptable to the ERCB addressing the failure to respond and detailing steps to prevent future occurrences.  First West Petroleum Inc. submitted the full security amount and provided a written explanation acceptable to the ERCB addressing the failure to respond and detailing steps to prevent future occurrences.  Compliance achieved.

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Low Risk Enforcement Action – Global REFER Summary<sup>4</sup>

#	Licensee	ERCB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Surface Location	ERCB Action(s) and Licensee Follow-up
3	Magnus One Energy Corp.	Corporate Compliance/ Noncompliance with Liability Management Program Requirements	Failure to pay security deposit.	March 12, 2009	<p>Well licences: 09-11-012-22W4 09-18-012-19W4 11-18-012-19W4 11-08-012-19W4 County of Lethbridge</p> <p>12-26-031-12W4 Special Area 2 (near Richdale)</p> <p>Facility licences: 00/11-08-012-19W4 00/01-18-012-19W4 County of Lethbridge</p> <p>Pipelines: 11-18-012-19W4 09-18-012-19W4 County of Lethbridge</p>	<p>This is an escalation from previous enforcement actions reported on January 14, 2009, and February 5, 2009.</p> <p>Global Refer status.</p> <p>Issuance of Abandonment Orders No. AD 2009-14, AD 2009-15, AD 2009-16 AND Closure/Abandonment Order No.: AD 2009-17.</p> <p>Abandonment of well and facility licences, and suspension and abandonment of pipeline licences.</p> <p>Licensee required to abandon the licences or pay the security deposit and provide a written explanation acceptable to the ERCB addressing the failure to respond and detailing steps to prevent future occurrences. Senior Magnus One Energy Corp. representatives with provincial authority must meet with the ERCB to review Magnus One Energy Corp.'s noncompliant history and corrective action plan.</p> <p>Magnus One Energy Corp. failed to comply.</p> <p>A working interest participant satisfactorily abandoned the well associated with Abandonment Order No. AD 2009-14.</p> <p>The ERCB notified Magnus One Energy Corp. of its intention to have the remaining properties abandoned as a result of the breaching of Abandonment Orders.</p>

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Low Risk Enforcement Action – Global REFER Summary<sup>4</sup>

#	Licensee	ERCB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Surface Location	ERCB Action(s) and Licensee Follow-up
4	NVI Mining Ltd.	Corporate Compliance/ Orphan Levy	Failure to pay 2008 Orphan Fund Levy plus 20% penalty.	March 10, 2009	16-07-026-16W4  Special Area 2 (near Dorothy)	<p>This is an escalation from previous enforcement actions reported on December 17, 2008, and February 4, 2009</p> <p>Global Refer status.</p> <p>Issuance of Abandonment Order No.: AD 2009-13.</p> <p>Abandonment of well licence.</p> <p>Licensee required to abandon the licence or pay the 2008 Orphan Fund Levy 20% penalty and provide a written explanation acceptable to the ERCB addressing the failure to respond and detailing steps to prevent future occurrences. Senior NVI Mining Ltd. representatives with provincial authority must meet with the ERCB to review NVI Mining Ltd.'s noncompliant history and corrective action plan.</p> <p>NVI Mining Ltd. submitted full payment of its 2008 Orphan Fund Levy and 20% penalty, submitted a written explanation acceptable to the ERCB addressing the failure to respond and detailing steps to prevent future occurrences, and met with the ERCB to review the noncompliant history and corrective action plan.</p> <p>Compliance achieved.</p>

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Legislative/Regulatory Enforcement Action <sup>5</sup>						
#	Licensee	ERCB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Surface Location	ERCB Action(s) and Licensee Follow up
1	Alberta Pinnacle Oil Company Ltd.	Corporate Compliance/ Petroleum and Natural Gas Rights Expiry	Failure to prove to the satisfaction of the ERCB that Alberta Pinnacle Oil Company Ltd. has a valid entitlement to the right to produce the well.	March 24, 2009	04-09-034-20W4  Starland County	<p>Global Refer status.</p> <p>Issuance of Closure Order No.: C 1151.</p> <p>Suspension of well licence.</p> <p>Licensee required to complete one of the following:</p> <ul style="list-style-type: none"> <li>a) reacquire or reinstate the mineral rights;</li> <li>b) convert the well for water disposal or injection;</li> <li>c) transfer the well licence to a viable licensee and link the wellbore to an active mineral agreement; or</li> <li>d) abandon the well.</li> </ul> <p>In addition, licensee required to provide a written explanation acceptable to the ERCB identifying the root causes of the noncompliance and detailing steps to prevent occurrence of a similar event, and meet with the ERCB to explain its noncompliance issues and the devised action plan.</p> <p>Alberta Pinnacle Oil Company Ltd. failed to comply. Abandonment Order No. AD 2009-23 subsequently issued.</p> <p>Alberta Pinnacle Oil Company Ltd. failed to subsequently comply with the Abandonment Order. The ERCB notified Alberta Pinnacle Oil Company Ltd. of its intention to have the well abandoned as a</p>

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Legislative/Regulatory Enforcement Action <sup>5</sup>						
#	Licensee	ERCB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Surface Location	ERCB Action(s) and Licensee Follow up
						<p>result of the breaching of the Abandonment Order.</p> <p>Alberta Pinnacle Oil Company Ltd. and working interest participant Calstar Oil &amp; Gas Ltd. were subsequently deemed defaulting working interest participants, and well licence designated orphan for the purposes of abandonment.</p>
2	Arcan Resources Ltd.	Corporate Compliance/ Petroleum and Natural Gas Rights Expiry	Failure to prove to the satisfaction of the ERCB that Arcan Resources Ltd. has a valid entitlement to the right to produce the well.	March 4, 2009	08-36-097-08W6  M.D. of Northern Lights	<p>Global Refer status.</p> <p>Issuance of Closure Order No.: C 1148.</p> <p>Suspension of well licence.</p> <p>Licensee required to: abandon the 08-36-097-08W6 well; complete the Digital Data Submission indicating both the downhole and surface abandonment; provide a written explanation acceptable to the ERCB addressing the failure to respond and detailing steps to prevent future occurrences; and, meet with the ERCB to review its noncompliance history and action plan.</p> <p>Arcan Resources Ltd. subsequently abandoned the well, completed the Digital Data Submission, submitted an action plan that was accepted by the ERCB, and met with the ERCB to review the noncompliance issues and the devised corrective action plan.</p> <p>Compliance achieved.</p>

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Legislative/Regulatory Enforcement Action <sup>5</sup>						
#	Licensee	ERCB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Surface Location	ERCB Action(s) and Licensee Follow up
3	First West Petroleum Inc.	Corporate Compliance/ Petroleum and Natural Gas Rights Expiry	Failure to prove to the satisfaction of the ERCB that First West Petroleum Inc. has a valid entitlement to the right to produce the well.	March 9, 2009	01-36-066-24W4  County of Athabasca	Global Refer status.  Issuance of Closure Order No.: C 1149.  Suspension of well licence.  Licensee required to abandon the 01-36-066-24W4 well; complete the Digital Data Submission indicating both the downhole and surface abandonment; provide a written explanation acceptable to the ERCB addressing the failure to respond and detailing steps to prevent future occurrences; and, meet with the ERCB to review its noncompliance history and action plan.  First West Petroleum Inc. failed to comply. Abandonment Order No. AD 2009-29 subsequently issued.  First West Petroleum Inc. failed to subsequently comply with the Abandonment Order. The ERCB notified First West Petroleum Inc. of its intention to have the well abandoned as a result of the breaching of the Abandonment Order.
4	SynCo Exploration Inc.	Corporate Compliance/ Petroleum and Natural Gas Rights Expiry	Failure to prove to the satisfaction of the ERCB that SynCo Exploration Inc. has valid entitlements to the right to produce the wells.	March 17, 2009	03-30-097-19W5 (2 well licenses at this surface location)  M.D. of Northern Lights	This is an escalation from a previous enforcement action initially reported on February 13, 2009.  Global Refer status.

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Legislative/Regulatory Enforcement Action <sup>5</sup>						
#	Licensee	ERCB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Surface Location	ERCB Action(s) and Licensee Follow up
						<p>Issuance of Abandonment Order No.: AD 2009-18.</p> <p>Abandonment of well licences.</p> <p>Licensee required to: abandon the 02/03-30-097-19W5/0 and 00/03-30-097-19W5/0 wells; complete the Digital Data Submission indicating both the downhole and surface abandonment; provide a written explanation acceptable to the ERCB addressing the failure to respond and detailing steps to prevent future occurrences; and, meet with the ERCB to review their noncompliance history and action plan.</p> <p>ERCB subsequently granted an extension until August 30, 2009, to abandon the subject wells.</p>

If you require further information, contact Customer Contact Centre, 403-297-8311 or [Inquiries@ercb.ca](mailto:Inquiries@ercb.ca).

## Endnotes

### <sup>1</sup> **Directive 019 – High Risk Enforcement Action 1 Summary**

In accordance with *Directive 019: ERCB Compliance Assurance–Enforcement*, High Risk Enforcement Action 1 is initiated against a licensee when the ERCB identifies a High Risk noncompliance event. To address High Risk Enforcement Action 1, the licensee must: immediately correct/address the High Risk noncompliance; if necessary, suspend operations (partial or full), when safe to do so, to remove the existing or potential impact/hazard (suspension will not occur if it results in an increased impact/hazard to the environment or public; compliance must be achieved prior to start-up); develop and implement a written action plan within 60 days (or in the time specified by the ERCB group); notify the ERCB group that the High Risk noncompliance has been corrected/addressed in the specified time. In addition, the ERCB will also apply one or more of the following enforcement actions as its authority provides: noncompliance fees; self-audit or inspections; increased audits or inspections; partial or full suspension until the noncompliance is corrected/addressed; suspension and/or cancellation of permit, licence, or approval.

### <sup>2</sup> **Directive 019 – High Risk Enforcement Action 2 (Persistent Noncompliance) Summary**

In accordance with *Directive 019: ERCB Compliance Assurance–Enforcement*, High Risk Enforcement Action 2 is initiated against a licensee who has an unacceptable rate, ratio, percentage or number of noncompliances, either in the same or in different compliance categories. To address High Risk Enforcement Action 2, the licensee must: immediately correct/address the High Risk noncompliance; develop and implement a written action plan within 30 days (or in the time specified by the ERCB group) addressing the root causes of previous noncompliance events and detailing what the licensee will do to prevent future noncompliance events in this compliance category/categories; if operations were suspended, have the action plan approved by the ERCB group before start-up; and review the action plan with the ERCB group in a meeting. In addition, the ERCB will also apply one or more of the following enforcement actions as its authority provides: noncompliance fees; self-audit or inspections; increased audits or inspections; partial or full suspension; suspension and/or cancellation of permit, licence, or approval.

### <sup>3</sup> **Directive 019 – High Risk Enforcement Action 3 Summary**

In accordance with *Directive 019: ERCB Compliance Assurance–Enforcement*, High Risk Enforcement Action 3 is initiated against a licensee who has failed to comply with the requirements of High Risk Enforcement Action 1, 2, or 3, or has demonstrated disregard of ERCB requirements that have been identified as High Risk. To address High Risk Enforcement Action 3, the licensee must: immediately correct/address the High Risk noncompliance; if necessary, suspend operations (partial or full), when safe to do so, to remove the existing or potential impact/hazard (suspension will not occur if it results in an increased impact/hazard to the environment or public); develop and implement a written action plan acceptable to the ERCB group that addresses the root causes of noncompliance events and details what the licensee will do to prevent future noncompliance events in this compliance category; and meet with the ERCB group to review and have the action plan approved before start-up of operations if operations were suspended. The ERCB will also apply one or more of the following enforcement actions as its authority provides: noncompliance fees; self-audit or inspections; third-party audits or inspections; partial or full suspension; suspension and/or cancellation of permit, licence, or approval; issuance of an Order (Miscellaneous, Closure, or Abandonment); “Refer” status: focused or global.

High Risk Enforcement Action 3 with global Refer results in formal orders to comply (Closure, Miscellaneous and Abandonment) and the imposition of the global Refer status against the licensee. The global Refer status indicates a licensee’s inability or unwillingness to comply. The status will be considered by the ERCB when deciding to approve or deny future and pending applications by the licensee to the ERCB. In addition, conditions for continued operation may be applied to the entire company.

### <sup>4</sup> **Directive 019 – Low Risk Enforcement Action – Global Refer Summary**

In accordance with *Directive 019: ERCB Compliance Assurance–Enforcement*, Low Risk Enforcement Action – global Refer is initiated against a licensee who has failed to correct/address a Low Risk noncompliance event in the time specified by the ERCB group. Low Risk Enforcement Action – global Refer enforcement results in the imposition of the global Refer status against the licensee and may result in formal orders to comply (Closure, Miscellaneous and Abandonment). The global Refer status indicates a licensee’s inability or unwillingness to comply. The status will be considered by the ERCB when deciding to approve or deny future and pending applications by the licensee to the ERCB. In addition, conditions of continued operation may be applied to the entire company. To address Low Risk Enforcement Action, the licensee must: immediately correct/address the Low Risk noncompliance within the time specified by the ERCB group; notify the ERCB group that the Low Risk noncompliance has been corrected/addressed in the specified time; and provide a written explanation acceptable to the ERCB group addressing the failure to respond and detailing steps to prevent future occurrences.

### <sup>5</sup> **Legislative/Regulatory Enforcement Action Summary**

In accordance with certain legislative authorities, Legislative/Regulatory enforcement results in the imposition of the global Refer status against the licensee and may result in formal orders to comply (Closure, Miscellaneous and Abandonment). The global Refer status indicates a licensee’s inability or unwillingness to comply. The status will be considered by the ERCB when deciding to approve or deny future and pending applications by the licensee to the ERCB. In addition, conditions for continued operation may be applied to the entire company. Enforcement actions that are not administered through *Directive 019*, but rather through existing legislation, and for which enforcement proceeds directly to a formal order and global Refer are: mineral lease expiry, surface lease expiry, environmental and public safety concerns, and failure to demonstrate the right to the purpose of the wellbore, the right to access the surface, and a working interest ownership in the property.