



ERCB Monthly Enforcement Action Summary

April 2009

ENERGY RESOURCES CONSERVATION BOARD
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High Risk Compliance Category Statistics				
ERCB	Compliance Category	April 2009		
		Initial Audits/ Inspections	Number of High Risk Noncompliance	Compliance Rate with High Risk Noncompliance
Applications Branch				
Facilities Applications Group Audit Section	Participant Involvement	44	3	93%
	Facilities Technical	11	0	100%
	Pipelines/Pipeline Installations Technical	28	0	100%
	Wells Technical	27	3	89%
Resources Applications Group Enforcement & Surveillance Section and Coal Section	Acid Gas Injection/Disposal	n/a	1	n/a
	Control Wells	n/a	2	n/a
	Gas Allowables	n/a	2	n/a
	Spacing	n/a	3	n/a
Subtotal		110	14	87%
Compliance and Operations Branch				
Operations Group Production Operations Section	Production Measurement & Reporting	6	4	33
	Sulphur Recovery	98	4	96
	Glycol Dehydrator Benzene Emissions	n/a	1	n/a
Well Operations Section	Well Casing Failure	n/a	4	n/a
Environment Group Waste and Storage Section	Oilfield Waste Generator	4	0	100%
	Drilling Waste Audits	10	1	90%
	Storage Audits	n/a	1	n/a
Subtotal		112	15	87%
Public Safety/Field Surveillance Branch				
	Drilling Operations	14	0	100%
	Well Servicing	22	0	100%
	Oil Facilities	448	10	98%
	Gas Facilities	340	5	98.5%
	Pipelines	116	9	92%
	Drilling Waste	2	2	0%
	Well Site Inspections	669	6	99.1%
	Waste Management	2	0	100%
Subtotal		1613	32	98%
Total Audit/Inspections High Risk		1835	61	96.7%

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

High Risk Enforcement Action 1 ¹						
#	Licensee	ERCB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Surface Location	ERCB Action(s) and Licensee Response
1	Access Pipeline Inc.	Field Surveillance/ Pipelines	<p>Total disregard for the requirements for marking of pipelines inside a controlled area.</p> <p>Total disregard for the hand excavation requirements.</p> <p>Notification to the owner of the existing pipeline prior to ground disturbance was unsatisfactory.</p> <p>There is no approval to construct.</p> <p>The status of crossing agreements is unsatisfactory.</p> <p>Notification to the owner of the existing pipeline prior to backfill was unsatisfactory.</p>	April 15, 2009	<p>12-13-055-22W4</p> <p>Sturgeon County</p>	<p>Operations were not suspended, as the pipeline system was constructed without ERCB approval and is not in operation.</p> <p>Licensee registered with Alberta One Call.</p> <p>Licensee developed and implemented ground disturbance procedures.</p> <p>Licensee provided ground disturbance training for company personnel.</p> <p>Licensee provided a plan to address the noncompliance and prevent future occurrences.</p> <p>Compliance achieved</p>
2	Alberta Clipper Energy Inc.	Field Surveillance/ Oil Facilities	<p>Underground tank(s) not tested at the required 3-year frequency/operator cannot demonstrate tank integrity.</p>	April 1, 2009	<p>16-09-038-02W5</p> <p>Lacombe County</p>	<p>Operations were not suspended, as mitigation measures were put in place.</p> <p>Licensee tested the tank(s).</p> <p>Licensee provided a plan to address the noncompliance and prevent future occurrences.</p> <p>Compliance achieved.</p>

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#	Licensee	ERCB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Surface Location	ERCB Action(s) and Licensee Response
3	AltaGas Ltd.	Field Surveillance/ Gas Facilities	Flame-type equipment without workable flame arrester less than 25 m from a process vessel.	April 16, 2009	10-25-050-06W5 Parkland County	Operations were not suspended, as the noncompliance was promptly corrected. Licensee repaired the cracked sight glass on the flame arrester. Licensee provided a plan to address the noncompliance and prevent future occurrences. Compliance achieved.
4	AltaGas Ltd.	Field Surveillance/ Pipelines	Corrosion Internal - There is no documented monitoring or mitigation program in place and/or company is not following program.	April 19, 2009	11-18-079-12W4 Lac La Biche County	Operations suspended. Licensee implemented a corrosion monitoring and mitigation program. Licensee provided a plan to address the noncompliance and prevent future occurrences. Compliance achieved.
5	AltaGas Ltd.	Field Surveillance/ Pipelines	Corrosion Internal - There is no documented monitoring or mitigation program in place and/or company is not following program.	April 20, 2009	13-28-079-22W4 M.D. of Opportunity	Licensee implemented a corrosion monitoring and mitigation program. Licensee provided a plan to address the noncompliance and prevent future occurrences. Compliance achieved.
6	AltaGas Ltd.	Operations Group/ Sulphur Recovery Guidelines	Failure to meet the approved calendar quarter-year sulphur recovery guidelines.	April 27, 2009	12-24-110-08W6 Mackenzie County	In accordance with <i>ID 2001-03 (Sulphur Recovery Guidelines for the Province of Alberta)</i> , operations were not suspended. 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
7	Angle Energy Inc.	Field Surveillance/ Drilling Waste Inspection	Disposal site has a slope greater than 5%.	April 7, 2009	01-12-038-07W5 Clearwater County	Operations were not suspended, as the landspraying had already taken place. Licensee provided a plan to address the noncompliance and prevent future occurrences. Compliance achieved.
8	Angle Energy Inc.	Facilities Applications/ Participant Involvement	Incomplete public and/or industry personal consultation and notification prior to filing the application.	April 13, 2009	09-03-038-07W5 Clearwater County	Licence(s) not cancelled or suspended, as the noncompliance was promptly corrected. Licensee provided a plan to address the noncompliance and prevent future occurrences. Compliance achieved.
9	ARC Resources Ltd.	Field Surveillance/ Oil Facilities	Flame-type equipment without workable flame arrester less than 25 m from a process vessel.	April 20, 2009	07-06-058-21W4 County of Thorhild	Operations suspended. Licensee installed nuts/bolts on the flame arrester. Licensee provided a plan to address the noncompliance and prevent future occurrences. Compliance achieved.
10	Brahma Resources Ltd.	Field Surveillance/ Well Site Inspection	Surface Runoff Control - Release criteria in Directive 058 not met.	April 20, 2009	03-14-050-02W4 County of Vermilion River	Operations were not suspended, as there was no existing or potential impact/hazard to the environment or the public. Licensee updated internal procedures. 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
11	Canadian Natural Resources Limited	Environment Group/ Material Storage Audits	Pre-96 facility single-walled underground storage tank is not integrity verified every 3 years. Pre-January 1, 2002, concrete-lined earthen excavation with leak detection (no secondary containment) remain in service without verification for integrity.	April 6, 2009	10-08-066-05W4 M.D. of Bonnyville	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.
12	Canadian Natural Resources Limited	Field Surveillance/ Oil Facilities	Release criteria in Directive 055/Directive 058 not met prior to release.	April 13, 2009	09-15-062-06W4 M.D. of Bonnyville	Suspension of operations at this time was not deemed appropriate, as the noncompliance occurred in the past. Licensee sampled the effected area and no contaminants were found. Licensee provided a plan to address the noncompliance and prevent future occurrences. Compliance achieved.
13	Coastal Resources Limited	Field Surveillance/ Gas Facilities	Flame-type equipment without workable flame arrester less than 25 m from a process vessel.	April 20, 2009	12-18-055-03W5 Lac Ste. Anne County	Operations suspended. Licensee installed nuts/bolts on the flame arrester. 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
14	Compton Petroleum Corporation	Resources Applications/ Control Wells	Producing wells without the requisite control wells in place. Failure to resolve issues or notify the ERCB of unresolved issues.	April 20, 2009	06-17-021-27W4 06-15-020-26W4 12-23-020-27W4 M.D. of Foothills	Operations suspended. 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.
15	Connacher Oil and Gas Limited	Operations Group/ Production Measurement & Reporting	Inaccurate accounting and reporting of hydrocarbons liquid receipts.	April 6, 2009	13-16-082-12W4 Regional Municipality of Wood Buffalo	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.
16	ConocoPhillips Canada (BRC) Ltd.	Field Surveillance/ Well Site Inspection	Noncompliant with other ERCB requirement – underground storage tank not tested at the required 3-year frequency/operator cannot demonstrate tank integrity.	April 15, 2009	03-29-061-19W4 County of Thorhild	Licensee has isolated the tank from production until it passes integrity testing. Licensee tested the tank(s). Licensee provided a plan to address the noncompliance and prevent future occurrences. Compliance achieved.

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17	ConocoPhillips Canada Resources Corp.	Field Surveillance/ Gas Facilities	Flame-type equipment without workable flame arrester less than 25 m from a process vessel.	April 1, 2009	09-33-045-28W4 County of Wetaskiwin	Operations suspended while the licensee made the necessary repairs. Licensee installed nuts/bolts on the flame arrester. Licensee provided a plan to address the noncompliance and prevent future occurrences. Compliance achieved.
18	Corinthian Energy Corp.	Field Surveillance/ Oil Facilities	Underground tank(s) not tested at the required 3- year frequency/operator cannot demonstrate tank integrity.	April 2, 2009	08-04-016-22W4 Vulcan County	Operations suspended. Licensee tested the tank(s). Licensee provided a plan to address the noncompliance and prevent future occurrences. Compliance achieved.
19	Cyries Energy Inc.	Operations Group/ Glycol Dehydrator Benzene Emissions	Individual dehydrator(s) or site dehydrator benzene emissions over the limits.	March 31, 2009	01-23-068-04W6M and 10-03-069-06W6M M.D. of Greenview	In accordance with <i>Directive 039: Revised Program to Reduce Benzene Emissions from Glycol</i> , operations were not suspended. Licensee provided a plan to address the noncompliance and prevent future occurrences. Compliance achieved.

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20	Daylight Energy Ltd.	Field Surveillance/ Oil Facilities	Flame-type equipment without workable flame arrester less than 25 m from a process vessel.	April 24, 2009	08-18-078-05W6 M.D. of Spirit River	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.
21	Deep Creek Oil & Gas Inc.	Field Surveillance/ Well Site Inspection	Spill off lease not adequately controlled/ cleaned up. Lease not diked where required.	April 17, 2009	11-09-034-28W4 Red Deer County	Operations suspended. Licensee cleaned up the spill. Licensee constructed a dike. Licensee provided a plan to address the noncompliance and prevent future occurrences. Compliance achieved.
22	Direct Energy Marketing Limited	Operations Group/ Well Casing Failure Audits	Failure to repair a casing failure.	April 20, 2009	10-28-014-03W4 Cypress County 03-27-026-27W4 M.D. of Rocky View	Operations were not suspended, as there was no existing or potential impact/hazard to the environment or the public. Licensee performed remedial action to repair the casing failure. 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
23	Direct Energy Marketing Limited	Field Surveillance/ Gas Facilities	Facility exceeding permissible sound levels.	April 28, 2009	05-22-029-02W5 Mountain View County	Operations were not suspended, as licensee agreed to immediately install a sound barrier to minimize noise. Licensee completed a noise impact assessment. Licensee provided a plan to address the noncompliance and prevent future occurrences. Compliance achieved.
24	Eagle Rock Exploration Ltd.	Field Surveillance/ Pipelines	Contaminated material stored directly on the ground. Corrosion Internal - There is no documented monitoring or mitigation program in place and/or company is not following program. Operator is aware of a reportable release but neglects to report it.	April 21, 2009	03-22-001-16W4 County of Warner	Operations suspended. Licensee implemented a corrosion control program. Licensee disposed of the contaminated material. Licensee reviewed its internal procedures with staff on reporting releases. Licensee provided a plan to address the noncompliance and prevent future occurrences. Compliance achieved.

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25	EnCana Corporation	Field Surveillance/ Well Site Inspection.	Waste disposal to facility not authorized to accept it.	April 13, 2009	01-33-078-11W6 Saddle Hills County	<p>Operations were not suspended, as the continued operation at the well was not creating an adverse impact at the time of the investigation.</p> <p>Licensee ceased shipping fluids for disposal at the facility.</p> <p>Licensee provided a plan to address the noncompliance and prevent future occurrences.</p> <p>Compliance achieved.</p>
26	EnCana Corporation	Field Surveillance/ Gas Facilities	Flame-type equipment without workable flame arrester less than 25 m from a process vessel.	April 17, 2009	15-01-024-22W4 Wheatland County	<p>Operations were not suspended, as the noncompliance was promptly corrected.</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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#	Licensee	ERCB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Surface Location	ERCB Action(s) and Licensee Response
27	EnCana Corporation	Operations Group/ Well Casing Failure Audits	Failure to repair a casing failure.	April 20, 2009	02-05-023-14W4 Special Area 2 (near Cressford) 01-27-020-14W4 06-25-027-20W4 07-33-017-14W4 06-12-017-14W4 16-04-017-14W4 04-10-020-14W4 Wheatland County	Operations were not suspended, as there was no existing or potential impact/hazard to the environment or the public. Licensee performed remedial action to repair the casing failure. Licensee provided a plan to address the noncompliance and prevent future occurrences. Licensee was requested to perform self-audits on its well management system. Compliance is not yet achieved. Deadline to achieve full compliance is set to September 30, 2009.
28	EnCana Corporation	Resources Applications/ Control Wells	Failure to conduct required test(s) (initial segregated pressure, and annual segregated pressure in each calendar year). Violation of conditions of control well designation.	April 21, 2009	01-07-024-24W4 Wheatland County	Operations were not suspended, in accordance with <i>Directive 062: Coalbed Methane Control Well Requirements and Related Matters</i> . Licensee to confirm in writing that the noncompliance has been addressed by immediately submitting sufficient pressure test data through the ERCB DDS (Digital Data Submission) system. Require a plan to address the noncompliance and prevent future occurrences. Compliance not yet achieved.

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#	Licensee	ERCB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Surface Location	ERCB Action(s) and Licensee Response
29	Enermark Inc.	Field Surveillance/ Pipelines	Poor construction practices resulting in failure within one year's service/operation.	April 22, 2009	15-02-050-22W4 Leduc County	Operations were not suspended, as the licensee isolated the pipeline from the rest of the system. Licensee repaired the pipeline. Licensee provided a plan to address the noncompliance and prevent future occurrences. Compliance achieved.
30	EOG Resources Canada Inc.	Resources Applications/ Spacing	Failure to resolve issues or notify the ERCB of unresolved issues.	April 27, 2009	23-12-11W4 Cypress County	Operations not suspended. Licensee submitted an application to rescind the Milk River and Second White Speckled Shale gas holding in its entirety Licensee provided a plan to address the noncompliance and prevent future occurrences. Compliance achieved.
31	Harvest Operations Corp.	Operations Group/ Well Casing Failure Audits	Failure to repair a casing failure.	April 20, 2009	01-24-048-09W4 County of Minburn	Operations were not suspended, as there was no existing or potential impact/hazard to the environment or the public. Licensee performed remedial action to repair the casing failure. 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
32	Husky Oil Operations Limited	Resources Applications/ Spacing	Producing wells contravene approved buffer zone limitations.	April 16, 2009	00/04-33-053-20W5/2 08-33-053-20W5 Strathcona County	Licensee confirmed in writing that the noncompliance has been addressed and that the wells have been shut in and will remain shut in until the requisite approval is obtained. Licensee submitted a plan to address the noncompliance and prevent future occurrences. Compliance achieved.
33	Imperial Oil Resources Limited	Operations Group/ Sulphur Recovery Guidelines	Failure to meet the approved calendar quarter-year sulphur recovery guidelines.	April 30, 2009	02-04-021-04W5 M.D. of Foothills	In accordance with <i>ID 2001-03: Sulphur Recovery Guidelines for the Province of Alberta</i> , operations were not suspended. Licensee provided a plan to address the noncompliance and prevent future occurrences. Compliance achieved.
34	Iteration Energy Ltd.	Field Surveillance/ Oil Facilities	Flame-type equipment without workable flame arresters less than 25 m from a process vessel.	April 27, 2009	08-34-009-13W4 M.D. of Taber	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.

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35	Monterey Exploration Ltd.	Resources Applications/ Gas Allowables	Production prior to the assignment of a yearly allowable.	April 29, 2009	04-29-012-15W4 M.D. of Taber	Operations suspended. Licensee confirmed in writing that the noncompliance has been addressed and that the well has been shut in and will remain shut in until all overproduction has been retired and a gas allowable has been assigned. Licensee provided a plan to address the noncompliance and prevent future occurrences. Compliance achieved.
36	NAL Resources Limited	Operations Group/ Well Casing Failure Audits	Failure to repair a casing failure.	April 20, 2009	16-07-037-06W5 Clearwater County	Operations were not suspended, as there was no existing or potential impact/hazard to the environment or the public. Licensee performed remedial action to repair the casing failure. 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
37	Nexen Inc.	Field Surveillance/ Pipelines	Discontinued pipeline— Not left in safe condition. External corrosion control/cathodic surveys—no records of survey results. Corrosion Internal— There is no documented monitoring or mitigation program in place and/or company is not following program.	April 19, 2009	01-28-085-06W4 Regional Municipality of Wood Buffalo	Operations suspended. Licensee installed a corrosion control program. Licensee installed a cathodic protection program. Licensee repaired the pipeline. Licensee provided a plan to address the noncompliance and prevent future occurrences. Compliance achieved.
38	Nuvista Energy Ltd.	Field Surveillance/ Oil Facilities	Lease not diked (where required).	April 22, 2009	06-32-049-04W5 Brazeau County	Operations were not suspended, as the well is currently shut in. Licensee suspended the well, in accordance with Directive 013 requirements. Licensee provided a plan to address the noncompliance and prevent future occurrences. Compliance achieved.
39	Paramount Resources Ltd.	Operations Group/ Sulphur Recovery Guidelines	Failure to meet the approved calendar quarter-year sulphur recovery guidelines.	April 30, 2009	06-32-122-02W6 Mackenzie County	In accordance with <i>ID 2001-03: Sulphur Recovery Guidelines for the Province of Alberta</i> , operations were not suspended. Licensee provided a plan to address the noncompliance and prevent future occurrences. Compliance achieved.

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40	Penn West Petroleum Ltd.	Resources Applications/ Acid Gas Injection/ Disposal	Cumulative injection volume exceeds specified level.	April 30, 2009	Approval No. 7938 Mitsue Field Wabamun Formation	<p>Operations were not suspended at this time due to potential impacts on the environment.</p> <p>Suspension of operations will be required if objections to the continued operations or to the forthcoming amendment application to restore compliance are received or if the forthcoming application is withdrawn or denied.</p> <p>Licensee submitted an application to the ERCB.</p> <p>Licensee provided a plan to address the noncompliance and prevent future occurrences.</p> <p>Compliance achieved.</p>
41	Pennine Petroleum Corporation	Field Surveillance/ Well Site Inspection	Noncompliant with other ERCB requirement—as per Directive 060, Section 12.1, incomplete resident notification and/or consultation.	April 13, 2009	02-11-004-29W4 M.D. of Pincher Creek	<p>Operations were not suspended, as there was no existing or potential impact/hazard to the environment or the public.</p> <p>Licensee updated internal procedures.</p> <p>Licensee provided a plan to address the noncompliance and prevent future occurrences.</p> <p>Compliance achieved.</p>
42	PetroGlobe Inc.	Facilities Applications/ Wells Technical	Incomplete drilling spacing unit for the intended formation(s).	April 15, 2009	07-28-047-03W5 15-28-047-03W5 County of Wetaskiwin	<p>Licence(s) cancelled.</p> <p>Licensee provided a plan to address the noncompliance and prevent future occurrences.</p> <p>Compliance achieved.</p>

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43	Peyto Exploration & Development Corp.	Environment Group/ Drilling Waste Audits	All appropriate disposal criteria have not been followed for a particular method.	April 2, 2009	01-12-059-06W6 M.D. of Greenview	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.
44	Provident Acquisitions Inc.	Field Surveillance/ Pipelines	Test pressure/duration does not conform to requirements. Operator is aware of a reportable release but neglects to report it.	April 23, 2009	09-25-038-10W4 County of Paintearth	Operations suspended. Licensee updated internal corrosion and integrity management procedures. Licensee provided a plan to address the noncompliance and prevent future occurrences. Compliance achieved.
45	Sabretooth Energy Ltd.	Field Surveillance/ Drilling Waste Inspection	Noncompliant with other ERCB requirement - As per Directive 050, <i>Drilling Waste Management</i> , sump closure must be completed within 12 months of drilling rig release.	April 2, 2009	08-13-082-08W6 Saddle Hills County	Operations were not suspended, as there was no existing or potential impact/hazard to the environment or the public. Licensee removed drilling fluids from site and was disposed of at a waste management facility. Licensee provided a plan to address the noncompliance and prevent future occurrences. Compliance achieved.

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46	Sabretooth Energy Ltd.	Field Surveillance/ Well Site Inspection	Waste disposal to facility not authorized to accept it.	April 8, 2009	01-18-079-11W6 Saddle Hills County	Operations were not suspended, as there was no existing or potential impact/hazard to the environment or the public. Licensee ceased shipping fluids for disposal at the facility. Licensee provided a plan to address the noncompliance and prevent future occurrences. Compliance achieved.
47	Serrano Energy Ltd.	Field Surveillances/ Oil Facilities	Spill on/off lease not adequately controlled/ cleaned up.	April 30, 2009	11-31-068-21W4 County of Athabasca	Operations were not suspended, as the facility was shut in at time of inspection. Licensee cleaned up the spill. Licensee provided a plan to address the noncompliance and prevent future occurrences. Compliance achieved.
48	Shell Canada Energy	Operations Group/ Production Measurement & Reporting	Inaccurate accounting and reporting of hydrocarbons liquid dispositions.	April 6, 2009	05-21-085-18W5 Northern Sunrise 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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49	Talisman Energy Inc.	Operations Group/ Production Measurement & Reporting	Inaccurate accounting and reporting of hydrocarbons liquid dispositions. Inaccurate accounting and reporting of hydrocarbons liquid receipts. Delivery point hydrocarbon liquid measure device(s) does not exist, is not installed correctly, or not in use.	April 6, 2009	05-27-072-05W6 County of Grande Prairie	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.
50	Taqa North Ltd.	Resources Applications/ Gas Allowables	Production prior to the assignment of a yearly allowable.	April 29, 2009	14-04-027-16W4 Special Area 2 (near Little Fish Lake) 13-14-029-24W4 Kneehill County	Operations were not suspended, as the 2009 assigned allowable retired the cumulative overproduction volumes. Licensee provided a plan to address the noncompliance and prevent future occurrences. Compliance achieved.
51	Tiger Calcium Services Inc.	Facilities Applications/ Wells Technical	Failure to acquire the rights to the intended formation(s).	April 23, 2009	14-30-072-02W5 M.D. of Lesser Slave River	Licence(s) cancelled. 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
52	Unconventional Gas Resources Canada Operating Inc.	Resources Applications/ Spacing	Production of too many wells per pool per drilling spacing unit without approval.	April 28, 2009	04-34-059-24W5 15-34-059-24W5 M.D. of Greenview	Operations suspended Licensee confirmed in writing that the noncompliance has been addressed and that the 00/04-34- 027-16W4/2 well has been shut in and will remain shut in until the requisite approval has been obtained. Licensee provided a plan to address the noncompliance and prevent future occurrences. Compliance achieved.
53	Vermilion Resources Ltd.	Field Surveillance/ Pipelines	Miscellaneous Joint Failure—Manufacturer's techniques and specifications not followed.	April 22, 2009	05-13-081-10W5 Northern Sunrise County	Operations suspended. Licensee repaired the pipeline to the manufacturer's specifications. Licensee provided a plan to address the noncompliance and prevent future occurrences. Compliance achieved.
54	Zapata Energy Corporation	Operations Group/ Production Measurement & Reporting	Inaccurate accounting and reporting of hydrocarbons liquid receipts.	April 6, 2009	10-15-036-06W4 Special Area 4 (near Consort)	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.

If you require further information, contact Customer Contact Centre, 403-297-8311 or Inquiries@ercb.ca.

High Risk Enforcement Action 1 ¹						
#	Licensee	ERCB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Surface Location	ERCB Action(s) and Licensee Response
55	Zargon Oil & Gas Ltd.	Field Surveillance/ Pipelines	Pipeline is operating but is shown as discontinued or abandoned in ERCB records.	April 17, 2009	09-02-036-11W4 County of Paintearth	Operations suspended. Licensee repaired the pipeline and has shut in the pipeline until it can properly be abandoned. Licensee provided a plan to address the noncompliance and prevent future occurrences. Compliance achieved.

If you require further information, contact Customer Contact Centre, 403-297-8311 or Inquiries@ercb.ca.

High Risk Enforcement Action 2 (Persistent Noncompliance) ²						
#	Licensee	ERCB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Surface Location	ERCB Action(s) and Licensee Response
1	AltaGas Ltd.	Operations Group/ Sulphur Recovery Guidelines	Failure to meet the approved calendar quarter-year sulphur recovery guidelines.	April 23, 2009	04-33-017-12W4M County of Newell	<p>In accordance with <i>ID 2001-03: Sulphur Recovery Guidelines for the Province of Alberta</i>, the facility raw gas inlet has been restricted by 50% for 90 days. Failure to meet the approved sulphur recovery efficiency in the next 12 months (Apr/09-Mar/10) will result in a High Risk Action 3 and a 90-day plant shutdown.</p> <p>AltaGas must also comply with <i>Board Order No.: 06-07-1</i> and preferentially process solution gas during the restricted period.</p> <p>Licensee provided a plan to address the noncompliance and prevent future occurrences.</p> <p>Final compliance review pending.</p>

If you require further information, contact Customer Contact Centre, 403-297-8311 or Inquiries@ercb.ca.

High Risk Enforcement Action 3 (Failure to Comply or Demonstrated Disregard) ³						
#	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.

Low Risk Enforcement Action – Global REFER Summary⁴

#	Licensee	ERCB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Surface Location	ERCB Action(s) and Licensee Follow-up
1	912522 Alberta Ltd.	Corporate Compliance/ Noncompliance with Liability Management Program Requirements	Failure to pay security deposit.	April 27, 2009	N/A – Against licensee	<p>Global Refer status.</p> <p>Issuance of Miscellaneous Order No. MISC 2009-5.</p> <p>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.</p> <p>912522 Alberta Ltd. successfully transferred all licences to an eligible licensee and provided a written explanation addressing the failure to respond and detailing steps to prevent future occurrences.</p> <p>Compliance achieved.</p>
2	Silver Swan Resources Inc.	Corporate Compliance/ Noncompliance with Liability Management Program Requirements	Failure to pay security deposit.	April 27, 2009	N/A – Against licensee	<p>Global Refer status.</p> <p>Issuance of Miscellaneous Order No. MISC 2009-4.</p> <p>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.</p> <p>Silver Swan Resources Inc. failed to comply. Closure Order No. C 1154 and Abandonment Order No. AD 2009-30 were subsequently issued.</p> <p>Amended Abandonment Order No. AD 2009-30A subsequently issued</p>

If you require further information, contact Customer Contact Centre, 403-297-8311 or Inquiries@ercb.ca.

Low Risk Enforcement Action – Global REFER Summary ⁴						
#	Licensee	ERCB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Surface Location	ERCB Action(s) and Licensee Follow-up
						to capture working interest participation changes in the subject well. Licensee and working interest participants granted until September 11, 2009, to comply.

If you require further information, contact Customer Contact Centre, 403-297-8311 or Inquiries@ercb.ca.

Legislative/Regulatory Enforcement Action ⁵						
#	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 acquire mineral rights.	April 29, 2009	04-09-034-20W4 Starland County	<p>This is an escalation from a previous enforcement action reported on March 24, 2009.</p> <p>Global Refer status.</p> <p>Issuance of Abandonment Order No. AD 2009-23.</p> <p>Abandonment of well licence.</p> <p>Licensee required to abandon the 04-09-034-20W4 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>Alberta Pinnacle Oil Company Ltd. failed to comply with the Abandonment Order. The ERCB notified Alberta Pinnacle Oil Company Ltd. of its intention to have the well abandoned as a result of the breaching of the Abandonment Order.</p> <p>Alberta Pinnacle Oil Company Ltd. and working interest participant Calstar Oil & Gas Ltd. were subsequently deemed defaulting working interest participants, and well licence designated orphan for the purposes of abandonment.</p>

If you require further information, contact Customer Contact Centre, 403-297-8311 or Inquiries@ercb.ca.

Legislative/Regulatory Enforcement Action ⁵						
#	Licensee	ERCB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Surface Location	ERCB Action(s) and Licensee Follow up
2	Delek Resources Ltd.	Corporate Compliance/ Petroleum and Natural Gas Rights Expiry	Failure to prove to the satisfaction of the ERCB that Delek Resources Ltd. has a valid entitlement to the right to produce the well.	April 6, 2009	10-20-073-01W6 M.D. of Greenview	<p>Global Refer status.</p> <p>Issuance of Closure Order No. C 1152.</p> <p>Suspension of well licence.</p> <p>Licensee required to complete one of the following:</p> <ul style="list-style-type: none"> a) reacquire or reinstate the mineral rights; b) convert the well for water disposal or injection; c) transfer the well licence to a viable licensee and link the wellbore to an active mineral agreement; or, d) abandon the well. <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 the noncompliance issues and the devised action plan.</p> <p>Delek Resources Inc. failed to comply. Abandonment Order No. AD 2009-24 subsequently issued.</p> <p>Delek Resources Inc. failed to comply with the Abandonment Order. The ERCB notified Delek Resources Inc. of its intention to have the well abandoned as a result of breaching the Abandonment Order.</p>

If you require further information, contact Customer Contact Centre, 403-297-8311 or Inquiries@ercb.ca.

Legislative/Regulatory Enforcement Action ⁵						
#	Licensee	ERCB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Surface Location	ERCB Action(s) and Licensee Follow up
3	Enerhance Resources Inc.	Corporate Compliance/ Petroleum and Natural Gas Rights Expiry	Failure to prove to the satisfaction of the ERCB that Enerhance Resources Inc. has a valid entitlement to the right to produce the well.	April 30, 2009	06-15-012-03W4 10-31-012-01W4 14-11-013-02W4 06-02-013-02W4 06-07-013-01W4 04-22-012-03W4 Cypress County	Global Refer status. Issuance of Closure Order No. C 1153. Suspension of well licences. Licensee required to complete one of the following: a) transfer the well licences to a viable licensee(s) and link the wellbores to active mineral agreements; or b) abandon the wells. In addition, licensee required to provide a written explanation acceptable to the ERCB addressing the failure to respond and the root causes of noncompliance; and meet with ERCB to review its noncompliant history and the devised corrective action plan. Enerhance Resources Inc. failed to comply. Abandonment Order No. AD 2009-26 subsequently issued.
4	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.	April 17, 2009	01-36-066-24W4 County of Athabasca	This is an escalation from a previous enforcement action reported on March 9, 2009. Global Refer status. Issuance of Abandonment Order No. AD 2009-19. Suspension and abandonment of well licence.

If you require further information, contact Customer Contact Centre, 403-297-8311 or Inquiries@ercb.ca.

Legislative/Regulatory Enforcement Action ⁵						
#	Licensee	ERCB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Surface Location	ERCB Action(s) and Licensee Follow up
						<p>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.</p> <p>First West Petroleum Inc. failed to comply with the Abandonment Order. The ERCB notified First West Petroleum Inc. of its intention to have the well abandoned as a result of breaching the Abandonment Order.</p>

If you require further information, contact Customer Contact Centre, 403-297-8311 or Inquiries@ercb.ca.

Endnotes

¹ **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.

² **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 that 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.

³ **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 that 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.

⁴ **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 that 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 for 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.

⁵ **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. Legislative/regulatory enforcement actions are not administered through *Directive 019*. Legislative/ regulatory enforcement actions resulting from 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 proceed directly to a formal order and global Refer status.