



ERCB Monthly Enforcement Action Summary

July 2009

ENERGY RESOURCES CONSERVATION BOARD
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High Risk Compliance Category Statistics				
ERCB	Compliance Category	July 2009		
		Initial Audits/ Inspections	Number of High Risk Noncompliance	Compliance Rate with High Risk Noncompliance
Applications Branch				
Facilities Applications Group Audit Section	Participant Involvement	37	5	86%
	Facilities Technical	7	5	29%
	Pipelines/Pipeline Installations Technical	12	3	75%
	Wells Technical	18	6	67%
Resources Applications Group Enforcement & Surveillance Section and Coal Section	Commercial In Situ Oil Sands Schemes	n/a	1	n/a
	Groundwater Protection	n/a	1	n/a
	Control Wells	n/a	3	n/a
	Commingling	n/a	5	n/a
	Injection/Disposal	n/a	2	n/a
Subtotal		74	31	58%
Compliance and Operations Branch				
Operations Group Production Operations Section	Directive 060 Economic Evaluation Audits	n/a	1	n/a
	Sulphur Recovery Guidelines	98	1	99.0%
Environment Group Waste and Storage Section	Oilfield Waste Generator Audits	n/a	4	n/a
	Drilling Waste Audits	n/a	2	n/a
Subtotal		98	8	92%
Public Safety/Field Surveillance Branch				
	Drilling Operations	30	1	97%
	Well Servicing	31	0	100%
	Oil Facilities	694	7	99.0%
	Gas Facilities	339	8	98%
	Pipelines	186	10	95%
	Drilling Waste	10	1	90%
	Well Site Inspections	1918	5	99.7%
	Waste Management	11	0	100%
Subtotal		3219	32	99.0%
Resources Branch				
Geology and Reserves Group Reserves & Allowables Section	Oil Overproduction	340	1	99.7%
Subtotal		340	1	99.7%
Total Audit/Inspections High Risk		3731	72	98.1%

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	Advantage Oil & Gas Ltd.	Facilities Applications/ Participant Involvement	Incomplete public and/or industry personal consultation and notification prior to filing the application.	July 7, 2009	14-29-069-19W5 M.D. of Greenview	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.
2	AltaGas Ltd.	Environment Group/ Oilfield Waste Generator Audit	Oilfield waste was not disposed of in the appropriate class of disposal well.	July 28, 2009	09-10-081-13W6 Saddle Hills County	Suspension of operations at this time was not deemed appropriate, as disposal operations were completed earlier this year. Licensee provided a plan to address the noncompliance and prevent future occurrences. Compliance achieved.
3	AltaGas Ltd.	Field Surveillance/ Gas Facilities	Underground tank(s) not tested as the required 3 year frequency/operator cannot demonstrate tank integrity.	July 29, 2009	04-04-052-24W4 Edmonton	Operations were not suspended due to the location of the tank and the difficulty of accessing the tank. Licensee tested the tank. Licensee provided a plan to address the noncompliance and prevent future occurrences. Compliance achieved.

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4	Anderson Energy Ltd.	Field Surveillance/ Gas Facilities	Flame-type equipment without workable flame arrester less than 25 m from a process vessel.	July 8, 2009	07-31-036-03W5 Red Deer County	<p>Operations were not suspended, as further investigation into the noncompliance was needed.</p> <p>Research has concluded that the thermoelectric generator was not equipped with a flame arrester. Licensee has since installed the necessary equipment.</p> <p>Licensee provided a plan to address the noncompliance and prevent future occurrences.</p> <p>Compliance achieved.</p>
5	Apache Canada Ltd.	Resources Applications/ Commingling	Improper use of the decision trees.	July 8, 2009	02-24-037-05W5 Clearwater County	<p>Operations suspended.</p> <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>
6	ARC Resources Ltd.	Field Surveillance/ Oil Facilities	Contaminated material stored directly on the ground.	July 9, 2009	03-35-048-08W5 Brazeau County	<p>Operations were not suspended, as the licensee promptly cleaned up the contaminated material.</p> <p>Licensee disposed of the material.</p> <p>Licensee provided a plan to address the noncompliance and prevent future occurrences.</p> <p>Compliance achieved.</p>

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7	Arsenal Energy Inc.	Field Surveillance/ Oil Facilities	H ₂ S emissions off lease.	July 6, 2009	05-33-033-08W4 Special Area 4 (near Veteran)	Operations suspended. Licensee repaired the thief hatch that was the source of the odours. Licensee provided a plan to address the noncompliance and prevent future occurrences. Compliance achieved.
8	Barnwell of Canada, Limited	Field Surveillance/ Oil Facilities	Noncompliant with other ERCB requirement – As per Directive 060 Section 12, Table 5 – noncompliance with solution gas production requirements during planned shutdowns and emergency events.	July 23, 2009	02-29-076-09W6 Saddle Hills County	The ERCB did not suspend operations as the facility was already shut in. Licensee is currently working on a solution to resolve the problem. At this time the facility remains shut in. Licensee provided a plan to address the noncompliance and prevent future occurrences. Compliance achieved.
9	Barrick Energy Inc.	Field Surveillance/ Drilling Waste Inspection	Fluid turns in degasser inlet line not made using right-angle connections constructed of tees and crosses blocked on fluid turns.	July 24, 2009	03-12-069-22W5 M.D. of Greenview	Operations suspended. Licensee corrected the degasser inlet line. Licensee provided a plan to address the noncompliance and prevent future occurrences. Compliance achieved.

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10	Bellamont Exploration Ltd.	Facilities Applications/ Wells Technical	Failure to acquire a mineral lease continuation – no agreement with the Department of Energy.	July 6, 2009	07-25-076-09W6 Saddle Hills County	Licence(s) was not cancelled or suspended, as licensee amended the licence(s). Licensee provided a plan to address the noncompliance and prevent future occurrences. Compliance achieved.
11	Blaze Energy Ltd.	Field Surveillance/ Gas Facilities	Non compliant with other ERCB requirement – failure to ensure that the licensee 24-hour emergency telephone number is erected at the primary entrance to all licensee well and facility operations as per Directive 071.	July 16, 2009	13-12-048-12W5 Yellowhead County	Operations were not suspended, as there was no existing or potential impact/hazard to the environment or the public. Licensee installed a sign with the emergency number listed on it. Licensee provided a plan to address the noncompliance and prevent future occurrences. Compliance achieved.
12	Bonavista Petroleum Ltd.	Facilities Applications/ Facilities Technical	Failure to acquire the necessary facility licence prior to commencing site preparation, construction and/or operation.	July 7, 2009	06-06-031-03W5 Mountain View County	Operations were not suspended, as the licensee submitted the required application for the facility. 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
13	Bonterra Energy Corp.	Field Surveillance/ Well Site Inspection	Spill on lease not adequately controlled/cleaned up.	July 6, 2009	16-22-048-08W5 Brazeau County	Operations were not suspended, as the well was suspended at the time of the inspection. Licensee cleaned up the spill. Licensee provided a plan to address the noncompliance and prevent future occurrences. Compliance achieved.
14	Bonterra Energy Corp.	Field Surveillance/ Pipelines	Pipeline coating/handling conditions are unsatisfactory.	July 22, 2009	16-24-047-03W5 Leduc County	Operations suspended. Licensee repaired the areas that were coated incorrectly. Licensee provided a plan to address the noncompliance and prevent future occurrences. Compliance achieved.
15	Breaker Energy Ltd.	Field Surveillance/ Pipelines	Damage by others – proper procedures not followed.	July 6, 2009	13-09-034-03W4 Special Area 4 (near Kirriemuir)	Operations suspended. Licensee repaired the damage pipeline and reviewed its internal ground-disturbance 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
16	Canadian Natural Resources Limited	Resources Applications/ Commingling	Failure to resolve issues or notify the ERCB of unresolved issues.	July 15, 2009	05-25-059-04W6 M.D. of Greenview	Operations not suspended. Licensee confirmed in writing that the noncompliance has been addressed. Licensee provided a plan to address the noncompliance and prevent future occurrences. Compliance achieved.
17	Compton Petroleum Corporation	Resources Applications/ Commingling	Commingling without approval.	July 15, 2009	04-30-051-09W5 Yellowhead 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.
18	ConocoPhillips Canada Resources Corp.	Resources Applications/ Control Wells	Failure to conduct required test(s) or test(s) conducted improperly.	July 8, 2009	08-24-030-22W4 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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19	Direct Energy Marketing Limited	Public Safety/Field Surveillance Branch/ Gas Facilities	Emergency response plan manual not updated yearly, exercises not conducted, or details not documented.	July 22, 2009	Township 029, Range 02W5	Operations were not suspended, as there was no existing or potential impact to the environment or the public. Licensee held a major exercise and documented it as required. Licensee provided a plan to address the noncompliance and prevent future occurrences. Compliance achieved.
20	Direct Energy Marketing Limited	Facilities Applications/ Participant Involvement & Facilities Technical	No attempt at public and/or industry personal consultation and notification prior to filing the application. Not completing an adequate noise impact assessment prior to application.	July 28, 2009	05-22-029-02W5 Mountain View County	Field Centre addressing facility suspension issue through complaint process. Licensee provided a plan to address the noncompliance and prevent future occurrences. Compliance achieved.
21	EMM Energy Inc.	Facilities Applications/ Facilities Technical	Failure to acquire the necessary facility licence prior to commencing site preparation, construction and/or operation.	July 20, 2009	09-07-052-12W5 Yellowhead County	Operations were not suspended, as the licensee submitted the required application for the facility. Licensee provided a plan to address the noncompliance and prevent future occurrences. Compliance achieved.

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22	EnCana Corporation	Resources Applications/ Commingling Resources Applications/ Control Wells	Commingling without approval Producing wells without the requisite control wells in place.	July 6, 2009	12-21-021-15W4 01-31-021-15W4 County of Newell	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.
23	EnCana Corporation	Facilities Applications/ Wells Technical	Failure to submit a well licence application as "wells technical nonroutine" when required.	July 28, 2009	09-06-014-06W4 Cypress County	Licence(s) suspended. Licensee provided a plan to address the noncompliance and prevent future occurrences. Compliance achieved.
24	EnCana Corporation	Facilities Applications/ Facilities Technical	Failure to submit a facility licence applications as "facilities technical nonroutine" when required.	July 31,2009	04-05-016-15W4 County of Newell	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.
25	EOG Resources Canada Inc.	Field Surveillance/ Gas Facilities	Underground tank(s) not tested as the required 3 year frequency/operator cannot demonstrate tank integrity.	July 30, 2009	12-22-022-24W4 Wheatland County	Operations were not suspended, as the integrity testing was completed the next day. Licensee tested the tank(s). Licensee provided a plan to address the noncompliance and prevent future occurrences. Compliance achieved.

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26	Fairwest Energy Corporation	Field Surveillance/ Gas Facilities	Flame-type equipment without workable flame arrester less than 25 m from a process vessel.	July 10, 2009	06-19-027-12W4 Special Area 2 (near Sunnynook)	Operations were not suspended, as the licensee immediately replaced the nuts/blots on the flame arrester. Licensee provided a plan to address the noncompliance and prevent future occurrences. Compliance achieved.
27	Fairwest Energy Corporation	Field Surveillance/ Gas Facilities	Non compliant with other ERCB requirement – failure to ensure that the licensee 24-hour emergency telephone number is erected at the primary entrance to all licensee well and facility operations as per Directive 071.	July 27, 2009	08-12-030-02W4 Special Area 3 (near Esther)	Operations were not suspended, as the licensee was able to promptly correct the noncompliance. Licensee posted the emergency phone number. Licensee provided a plan to address the noncompliance and prevent future occurrences. Compliance achieved.
28	Great Plains Exploration Inc.	Environment Group/ Oilfield Waste Generator Audits	Oilfield waste was not disposed of in the appropriate class of disposal well.	July 29, 2009	04-25-079-10W6 Saddle Hills 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.

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29	Harvest Operations Corp.	Resources Applications/ Injection/Disposal	Failure to meet conditions of approval (disposal).	July 15, 2009	06-07-087-13W5 Northern Sunrise County	<p>Licensee to confirm 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>.</p> <p>Require a plan to address the noncompliance and prevent future occurrences.</p>
30	Highpine Oil & Gas Limited	Field Surveillance/ Drilling Waste Inspection	Noncompliant with other ERCB requirement - all appropriate waste sampling, preparation and testing not conducted according to requirements as per section 4.3 of Directive 050.	July 27, 2009	14-19-051-04W5 Parkland County	<p>Operations were not suspended, as the noncompliance event occurred in the past.</p> <p>Licensee completed a post-disposal inspection.</p> <p>Licensee provided a plan to address the noncompliance and prevent future occurrences.</p> <p>Compliance achieved.</p>
31	Hunt Oil Company of Canada, Inc.	Facilities Applications/ Facilities Technical	Failure to acquire the necessary facility licence prior to commencing site preparation, construction and/or operation.	July 7, 2009	09-28-013-17W4 M.D. of Taber	<p>Operations were not suspended, as the licensee submitted the required application for the facility.</p> <p>Licensee provided a plan to address the noncompliance and prevent future occurrences.</p> <p>Compliance achieved.</p>

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32	Iteration Energy Ltd.	Resources Applications/ Commingling	Commingling without approval.	July 15, 2009	11-34-085-19W5 Northern Sunrise 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.
33	Leddy Exploration Limited	Field Surveillance/ Well Site Inspection	Lease not diked where required.	July 31, 2009	04-02-047-03W5 County of Wetaskiwin	Operations suspended. Licensee installed a dike. Licensee provided a plan to address the noncompliance and prevent future occurrences. Compliance achieved.
34	Mec Operating Company ULC	Field Surveillance/ Pipelines	Non compliant with other ERCB requirement – As per Directive 056 section 6.9.7(c) “when applying for a partial pipeline removal and prior to undertaking any activity, the licensee must obtain a license prior to commencing removal operations.”	July 7, 2009	01-07-051-26W4 Parkland County	Operations were not suspended, as the line is already abandoned. Licensee obtained a removal permit. 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
35	Midnight Oil Exploration Ltd.	Field Surveillance/ Gas Facilities	Underground tank(s) not tested at the required 3 year frequency/operator cannot demonstrate tank integrity.	July 8, 2009	02-23-088-08W5 M.D. of Opportunity	Operations suspended. Licensee tested the tank(s). Licensee provided a plan to address the noncompliance and prevent future occurrences. Compliance achieved.
36	MMCI Energy ULC	Field Surveillance/ Gas Facilities	Flame-type equipment without workable flame arrester less than 25 m from a process vessel.	July 3, 2009	14-29-037-08W5 Clearwater County	Operations suspended. Licensee repaired the hole on the flame arrester. Licensee provided a plan to address the noncompliance and prevent future occurrences. Compliance achieved.
37	NEO Exploration Inc.	Field Surveillance/ Pipelines	Internal corrosion control-no monitoring and mitigation in corrosive environment. External corrosion control/cathodic surveys-no records of survey results. Pressure Control Devices or Pressure Relief Devices - Required function tests not conducted or recorded.	July 17, 2009	04-24-048-28W4 Leduc County	Operations were not suspended, as the pipelines are currently not operating. Licensee implemented a corrosion control program. Licensee implemented a checklist of operational and technical requirements. Licensee provided a plan to address the noncompliance and prevent future occurrences. Compliance achieved.

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38	North Peace Energy Corp.	Resources Applications/ Commercial In Situ Oil Sands Schemes	Failure to meet Conditions of Approval	July 6, 2009	Approval 11209	<p>Licensee is required to provide what improvements in operational practices or instrumentation will be made to ensure accurate wellhead injection pressure data.</p> <p>Licensee provided a plan to address the noncompliance and prevent future occurrences.</p> <p>Compliance achieved.</p>
39	Paramount Energy Operating Corp.	Resources Applications/ Groundwater Protection	Failure to immediately notify the ERCB of water production above the threshold.	July 22, 2009	<p>16-14-047-14W4 Beaver County</p> <p>03-02-079-10W4 Lakeland County</p> <p>06-11-088-17W4 03-08-080-05W4 Regional Municipality of Wood Buffalo</p>	<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, which is currently under review.</p> <p>Licensee provided a plan to address the noncompliance and prevent future occurrences; currently under review.</p>

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40	Paramount Resources Ltd.	Field Surveillance/ Oil Facilities	Spill on/off lease not adequately controlled/cleaned up.	July 2, 2009	12-28-117-04W6 M.D. of Mackenzie	Operations were not suspended, as the noncompliance was due to extensive staining. Licensee cleaned up the staining. Licensee provided a plan to address the noncompliance and prevent future occurrences. Compliance achieved.
41	Penn West Petroleum Ltd.	Field Surveillance/ Pipelines	Poor construction practices resulting in failure within one year's service/operation.	July 6, 2009	09-29-063-18W5 M.D. of Greenview	Operations suspended. Licensee repaired the pipeline. Licensee provided a plan to address the noncompliance and prevent future occurrences. Compliance achieved.
42	Penn West Petroleum Ltd.	Operations Group/ Directive 060 Economic Evaluation Audits	Failure to implement economic decision tree conservation projects/performance requirements. Noncompliance with flare reduction requirements during planned shutdowns and emergency events.	July 15, 2009	13-08-082-15W5 Northern Sunrise County	Licensee required to immediately cut back production and ensure that a minimum of 95% conservation is implemented at the site within 30 days. Corrective action must be completed before resumption of full production will be approved by the ERCB. Licensee has cut back production as required and is doing some reconstruction of the conserving facility to ensure that the performance requirement is met. Licensee provided a plan to address the noncompliance and prevent future occurrences. Compliance achieved.

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43	Penn West Petroleum Ltd.	Field Surveillance/ Pipelines	Failure/Hit damage by others – proper procedures were not followed.	July 22, 2009	04-24-056-05W5 Lac Ste. Anne County	Operations were not suspended, as the line was already out of service at the time of inspection. Licensee repaired the pipeline. Licensee provided a plan to address the noncompliance and prevent future occurrences. Compliance achieved.
44	Petro-Canada	Facilities Applications/ Wells Technical	Failure to acquire a mineral lease continuation – No agreement with Department of Energy.	July 3, 2009	10-27-040-8W5 Clearwater County	Licence(s) cancelled. Licensee provided a plan to address the noncompliance and prevent future occurrences. Compliance achieved.
45	Petro-Canada	Facilities Applications/ Wells Technical	Failure to acquire a mineral lease continuation – No agreement with Department of Energy.	July 3, 2009	06-22-040-8W5 Clearwater County	Licence(s) cancelled. Licensee provided a plan to address the noncompliance and prevent future occurrences. Compliance achieved.
46	Peyto Exploration and Development Corp.	Environment Group/ Drilling Waste Audits	All appropriate disposal criteria have not been followed for a particular method.	July 13, 2009	06-30-059-05W6 09-18-059-05W6 01-12-059-06W6 M.D. of Greenview	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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47	Plains Midstream Canada Ulc	Facilities Applications/ Participant Involvement	Incomplete public and/or industry personal consultation and notification prior to filing the application.	July 14, 2009	01-03-031-04W5 Mountain View 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.
48	Prairie River Gas Co-op Ltd.	Facilities Applications/ Participant Involvement	Incomplete public and/or industry personal consultation and notification prior to filing the application.	July 29, 2009	02-13-075-15W5 M.D. of Big Lakes	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.
49	Provident Acquisitions L.P.	Geology and Reserves/ Oil Overproduction	Failure to retire oil overproduction.	July 30, 2009	10-23-016-22W4 Vulcan County	Licensee confirmed that the well has been shut in and will remain shut in until all overproduction has been retired. Licensee was directed to develop and implement a plan to address the noncompliance and prevent future occurrences. Compliance not yet achieved.

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50	Rise Resources Corp.	Field Surveillance/ Well Site Inspection	Non compliant with other ERCB requirement – failure to ensure that the licensee 24-hour emergency telephone number is erected at the primary entrance to all licensee well and facility operations as per Directive 071.	July 23, 2009	16-07-028-03W5 M.D. of Rocky View	Operations were already suspended at the time of the inspection. Licensee updated and posted the correct 24-hour emergency number. Licensee provided a plan to address the noncompliance and prevent future occurrences. Compliance achieved.
51	Ron Resources Ltd.	Facilities Applications/ Wells Technical	Incomplete drilling spacing unit for the intended formation(s).	July 9, 2009	15-06-040-03W4 M.D. of Provost	Licence(s) cancelled. Licensee provided a plan to address the noncompliance and prevent future occurrences. Compliance achieved.
52	Seaview Energy Inc.	Environment Group/ Oilfield Waste Generator Audits	Oilfield waste was not disposed of in the appropriate class of disposal well.	July 29, 2009	04-32-079-11W6 13-16-079-11W6 Saddle Hills 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.

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53	Shell Canada Ltd.	Field Surveillance/ Oil Facilities	Underground tank(s) not tested at the required 3 year frequency/operator cannot demonstrate tank integrity.	July 13, 2009	13-33-055-24W5 Yellowhead County	Operations were not suspended, as the licensee committed to removing the fluids daily until the integrity testing was completed. Licensee tested the tank(s). Licensee provided a plan to address the noncompliance and prevent future occurrences. Compliance achieved.
54	Sifton Energy Inc.	Field Surveillance/ Oil Facilities	Spill on/off lease not adequately controlled/cleaned up.	July 3, 2009	02-21-033-03W5 Mountain View County	Operations were not suspended, as none of the valves were actively leaking at the time of the inspection and contributing to the staining. Licensee cleaned up the staining. Licensee provided a plan to address the noncompliance and prevent future occurrences. Compliance achieved.
55	Solara Exploration Ltd.	Facilities Applications/ Wells Technical	No rights to substance(s) for the intended formation(s).	July 29, 2009	06-16-053-04W4 County of Vermilion 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
56	Sonoma Resources Ltd.	Facilities Applications/ Pipelines/Pipelines Installations Technical	<p>Failure to design for sour service where required.</p> <p>The valves, flanges, fittings are not suitable for the applied for maximum operating pressure as defined in Canadian Standards Association.</p> <p>The substance of the connecting pipeline is not compatible with the proposed substance.</p>	July 31, 2009	<p>05-27-095-09W5</p> <p>Northern Sunrise County</p>	<p>Licence(s) suspended.</p> <p>Licensee provided a plan to address the noncompliance and prevent future occurrences.</p> <p>Compliance achieved.</p>
57	Spur Energy Corp.	Field Surveillance/ Well Site Inspection	<p>Non compliant with other ERCB requirement – failure to ensure that the licensee 24-hour emergency telephone number is erected at the primary entrance to all licensee well and facility operations as per Directive 071.</p>	July 8, 2009	<p>08-13-043-05W5</p> <p>Ponoka County</p>	<p>Operations were not suspended as there was no immediate threat to either public safety or the environment.</p> <p>Licensee updated and posted the correct 24-hour emergency number.</p> <p>Licensee provided a plan to address the noncompliance and prevent future occurrences.</p> <p>Compliance achieved.</p>

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High Risk Enforcement Action 1 ¹						
#	Licensee	ERCB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Surface Location	ERCB Action(s) and Licensee Response
58	Sumas Environmental Services Inc.	Field Surveillance/ Pipelines	Pipeline sign missing or defaced on both sides of a crossing.	July 27, 2009	11-14-036-20W4 County of Stettler	Operations were not suspended, as the pipeline is abandoned and there was no immediate threat to either public safety or the environment. Licensee installed proper signage. Licensee provided a plan to address the noncompliance and prevent future occurrences. Compliance achieved.
59	Suncor Energy Inc.	Operations Group/ Sulphur Recovery Guidelines	Failure to meet the approved calendar quarter-year sulphur recovery guidelines.	July 31, 2009	09-06-063-25W5 M.D. of Greenview	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.
60	TAQA North Ltd.	Field Surveillance/ Pipelines	Mechanical excavation takes place within 5m of existing pipeline prior to hand exposure. Damage by others – proper procedures were not followed.	July 22, 2009	01-02-041-10W5 Clearwater County	Operations were not suspended, as the pipeline was out of service at the time of the inspection and would remain out of service. Licensee purged the line and abandoned the pipeline. Licensee provided a plan to address the noncompliance and prevent future occurrences. Compliance achieved.

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High Risk Enforcement Action 1 ¹						
#	Licensee	ERCB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Surface Location	ERCB Action(s) and Licensee Response
61	TAQA North Ltd.	Environment Group/ Drilling Waste Audits	ERCB approval was not obtained by licensee when using an advanced gel chemical system.	July 23, 2009	05-20-046-10W5 08-24-046-11W5 Brazeau County	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.
62	Total E&P Canada Ltd.	Facilities Applications/ Participant Involvement	Incomplete public and/or industry personal consultation and notification prior to filing the application.	July 6, 2009	20 wells at Township 095-15 & 095-16W4 Regional Municipality of Wood Buffalo	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.

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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
	None					

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
1	Arcan Resources Ltd.	Resources Applications/ Injection/Disposal	Injection or disposal without approval.	July 22, 2009	14-28-068-08W5 M.D. of Big Lakes	<p>This is a result of failing to comply with the High Risk Enforcement Action 1 issued March 16, 2009.</p> <p>Licensee provided a plan to address the noncompliance and prevent future occurrences.</p> <p>Compliance will not be completely achieved until July 28, 2010, if no further noncompliances occur.</p>
2	Rise Resources Corp.	Field Surveillance/ Well Site Inspection	Non compliant with other ERCB requirement – failure to ensure that the licensee 24-hour emergency telephone number is erected at the primary entrance to all licensee well and facility operations as per Directive 071.	July 29, 2009	16-07-028-03W5 M.D. of Rocky View	<p>This a result of failing to comply with the High Risk Enforcement Action 1 issued July 23, 2009 (re-inspection occurred on July 29, 2009).</p> <p>Operations were already suspended at the time of the inspection.</p> <p>Licensee updated and posted the correct 24-hour emergency number.</p> <p>Licensee met with the ERCB to review its action plan.</p> <p>Licensee provided a plan to address the noncompliance and prevent future occurrences.</p> <p>Compliance achieved.</p>

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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	979708 Alberta Ltd.	Corporate Compliance/ Orphan Levy	Failure to pay 2009 Orphan Fund Levy, plus 20% penalty.	July 23, 2009	N/A – Against Licensee	<p>Global Refer Status.</p> <p>Issuance of Miscellaneous Order MISC No. 2009-11.</p> <p>Licensee required to pay the 2009 Orphan Fund Levy, plus 20% penalty, and provide a written explanation acceptable to the ERCB addressing the failure to respond and detailing steps to prevent future occurrences.</p> <p>979708 Alberta Ltd. failed to comply. File referred to Alberta Environment as reclamation-only liability remains in the company.</p>
2	Alberta Pinnacle Oil Company Ltd.	Corporate Compliance/ Noncompliance with Liability Management Program Requirements	Failure to pay security deposit.	July 23, 2009	N/A – Against Licensee	<p>Global Refer Status.</p> <p>Issuance of Miscellaneous Order No. MISC 2009-44.</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>Alberta Pinnacle Oil Company Ltd. failed to comply. Closure Order No. C 1151 and Abandonment Order No. AD 2009-32 were subsequently issued.</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</p>

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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
						<p>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 the well licence was designated orphan for the purposes of abandonment.</p>
3	Arbuckle, W.K.	Corporate Compliance/ Orphan Levy	Failure to pay 2009 Orphan Fund Levy, plus 20% penalty.	July 23, 2009	N/A – Against Licensee	<p>Global Refer Status.</p> <p>Issuance of Miscellaneous Order No. MISC 2009-12.</p> <p>Licensee required to pay the 2009 Orphan Fund Levy, plus 20% penalty, and provide a written explanation acceptable to the ERCB addressing the failure to respond and detailing steps to prevent future occurrences.</p> <p>Arbuckle, W.K. failed to comply. File referred to Alberta Environment as reclamation-only liability remains.</p>
4	Benjaka Exploration Inc.	Corporate Compliance/ Orphan Levy	Failure to pay 2009 Orphan Fund Levy, plus 20% penalty.	July 23, 2009	N/A – Against Licensee	<p>Global Refer Status.</p> <p>Issuance of Miscellaneous Order No. MISC 2009-21.</p> <p>Licensee required to pay the 2009 Orphan Fund Levy, plus 20% penalty, and provide a written explanation acceptable to the ERCB addressing the failure to</p>

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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
						<p>respond and detailing steps to prevent future occurrences.</p> <p>Benjaka Exploration Inc. failed to comply. Closure Orders No. C 1158 and C 1159 were subsequently issued.</p> <p>Benjaka Exploration Inc. submitted full payment of its 2009 Orphan Fund Levy, plus 20% penalty, and provided a written explanation to the ERCB.</p> <p>Compliance achieved.</p>
5	Black Sea Oil & Gas Ltd.	Corporate Compliance/ Orphan Levy	Failure to pay 2009 Orphan Fund Levy, plus 20% penalty.	July 23, 2009	N/A – Against Licensee	<p>Global Refer Status.</p> <p>Issuance of Miscellaneous Order No. MISC 2009-22</p> <p>Licensee required to pay the 2009 Orphan Fund Levy, plus 20% penalty, and provide a written explanation acceptable to the ERCB addressing the failure to respond and detailing steps to prevent future occurrences.</p> <p>Black Sea Oil & Gas Ltd. failed to comply. Closure Orders No. C 1160 and C 1161 were subsequently issued.</p> <p>Black Sea Oil & Gas Ltd. submitted full payment of its 2009 Orphan Fund Levy, plus 20% penalty, and provided a written explanation to the ERCB.</p> <p>Compliance achieved.</p>

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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
6	Bruce Developments Limited	Corporate Compliance/ Orphan Levy	Failure to pay 2009 Orphan Fund Levy, plus 20% penalty.	July 23, 2009	N/A – Against Licensee	<p>Global Refer Status.</p> <p>Issuance of Miscellaneous Order No. MISC 2009-13.</p> <p>Licensee required to pay the 2009 Orphan Fund Levy, plus 20% penalty, and provide a written explanation acceptable to the ERCB addressing the failure to respond and detailing steps to prevent future occurrences.</p> <p>Bruce Developments Limited failed to comply. File referred to Alberta Environment as reclamation-only liability remains in the company.</p>
7	Cox, Edwin Lochridge	Corporate Compliance/ Orphan Levy	Failure to pay 2009 Orphan Fund Levy, plus 20% penalty.	July 23, 2009	N/A – Against Licensee	<p>Global Refer Status.</p> <p>Issuance of Miscellaneous Order No. MISC 2009-14.</p> <p>Licensee required to pay the 2009 Orphan Fund Levy, plus 20% penalty, and provide a written explanation acceptable to the ERCB addressing the failure to respond and detailing steps to prevent future occurrences.</p> <p>Cox, Edwin Lochridge failed to comply. File referred to Alberta Environment as reclamation-only liability remains.</p>

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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
8	Cyries Wyoming Inc.	Corporate Compliance/ Orphan Levy	Failure to pay 2009 Orphan Fund Levy, plus 20% penalty.	July 23, 2009	N/A – Against Licensee	<p>Global Refer Status.</p> <p>Issuance of Miscellaneous Order No. MISC 2009-24.</p> <p>Licensee required to pay the 2009 Orphan Fund Levy, plus 20% penalty, and provide a written explanation acceptable to the ERCB addressing the failure to respond and detailing steps to prevent future occurrences.</p> <p>Cyries Wyoming Inc. submitted full payment of its 2009 Orphan Fund Levy, plus 20% penalty, and provided a written explanation to the ERCB.</p> <p>Compliance achieved.</p>
9	Derrick Petroleum Ltd.	Corporate Compliance/ Orphan Levy	Failure to pay 2009 Orphan Fund Levy, plus 20% penalty.	July 23, 2009	N/A – Against Licensee	<p>Global Refer Status.</p> <p>Issuance of Miscellaneous Order No. MISC 2009-8.</p> <p>Licensee required to pay the 2009 Orphan Fund Levy, plus 20% penalty, and provide a written explanation acceptable to the ERCB addressing the failure to respond and detailing steps to prevent future occurrences.</p> <p>Derrick Petroleum Ltd. submitted full payment of its 2009 Orphan Fund Levy, plus 20% penalty, and provided a written explanation to the ERCB.</p> <p>Compliance achieved.</p>

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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
10	E E C L Resources Ltd.	Corporate Compliance/ Orphan Levy	Failure to pay 2009 Orphan Fund Levy, plus 20% penalty.	July 23, 2009	N/A – Against Licensee	Global Refer Status. Issuance of Miscellaneous Order No. MISC 2009-15. Licensee required to pay the 2009 Orphan Fund Levy, plus 20% penalty, and provide a written explanation acceptable to the ERCB addressing the failure to respond and detailing steps to prevent future occurrences. E E C L Resources Ltd. failed to comply. File referred to Alberta Environment as reclamation-only liability remains in the company.
11	First West Petroleum Inc.	Corporate Compliance/ Orphan Levy	Failure to pay 2009 Orphan Fund Levy, plus 20% penalty.	July 23, 2009	N/A – Against Licensee	Global Refer Status. Issuance of Miscellaneous Order No. MISC 2009-25. Licensee required to pay the 2009 Orphan Fund Levy, plus 20% penalty, 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. in receivership.
12	GEM Resources Ltd.	Corporate Compliance/ Orphan Levy	Failure to pay 2009 Orphan Fund Levy, plus 20% penalty.	July 23, 2009	N/A – Against Licensee	Global Refer Status. Issuance of Miscellaneous Order No. MISC 2009-16. Licensee required to pay the 2009 Orphan Fund Levy, plus 20%

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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
						<p>penalty, and provide a written explanation acceptable to the ERCB addressing the failure to respond and detailing steps to prevent future occurrences.</p> <p>GEM Resources Ltd. failed to comply. File referred to Alberta Environment as reclamation-only liability remains in the company.</p>
13	Gusher Oil & Gas Ltd.	Corporate Compliance/ Orphan Levy	Failure to pay 2009 Orphan Fund Levy, plus 20% penalty.	July 23, 2009	N/A – Against Licensee	<p>Global Refer Status.</p> <p>Issuance of Miscellaneous Order No. MISC 2009-17.</p> <p>Licensee required to pay the 2009 Orphan Fund Levy, plus 20% penalty, and provide a written explanation acceptable to the ERCB addressing the failure to respond and detailing steps to prevent future occurrences.</p> <p>Gusher Oil & Gas Ltd. failed to comply. File referred to Alberta Environment as reclamation-only liability remains in the company.</p>
14	Hazelwood Energy Limited	Corporate Compliance/ Orphan Levy	Failure to pay 2009 Orphan Fund Levy, plus 20% penalty.	July 23, 2009	N/A – Against Licensee	<p>Global Refer Status.</p> <p>Issuance of Miscellaneous Order No. MISC 2009-26.</p> <p>Licensee required to pay the 2009 Orphan Fund Levy, plus 20% penalty, and provide a written explanation acceptable to the ERCB addressing the failure to respond and detailing steps to prevent future occurrences.</p>

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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
						Hazelwood Energy Limited failed to comply. File referred to Alberta Environment as reclamation-only liability remains in the company.
15	Ignition Energy Ltd.	Corporate Compliance/ Orphan Levy	Failure to pay 2009 Orphan Fund Levy, plus 20% penalty.	July 23, 2009	N/A – Against Licensee	<p>Global Refer Status.</p> <p>Issuance of Miscellaneous Order No. MISC 2009-28.</p> <p>Licensee required to pay the 2009 Orphan Fund Levy, plus 20% penalty, and provide a written explanation acceptable to the ERCB addressing the failure to respond and detailing steps to prevent future occurrences.</p> <p>Ignition Energy Ltd. failed to comply. Closure Orders No. C 1162 and C 1163 were subsequently issued.</p> <p>Ignition Energy Ltd. submitted full payment of its 2009 Orphan Fund Levy, plus 20% penalty, and provided a written explanation to the ERCB.</p> <p>Compliance achieved.</p>
16	Interquest Incorporated	Corporate Compliance/ Orphan Levy	Failure to pay 2009 Orphan Fund Levy, plus 20% penalty.	July 23, 2009	N/A – Against Licensee	<p>Global Refer Status.</p> <p>Issuance of Miscellaneous Order No. MISC 2009-29.</p> <p>Licensee required to pay the 2009 Orphan Fund Levy, plus 20% penalty, and provide a written explanation acceptable to the</p>

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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
						<p>ERCB addressing the failure to respond and detailing steps to prevent future occurrences.</p> <p>Interquest Incorporated in receivership.</p>
17	Jordan Energy Inc.	Corporate Compliance/ Orphan Levy	Failure to pay 2009 Orphan Fund Levy, plus 20% penalty.	July 23, 2009	N/A – Against Licensee	<p>Global Refer Status.</p> <p>Issuance of Miscellaneous Order No. MISC 2009-30.</p> <p>Licensee required to pay the 2009 Orphan Fund Levy, plus 20% penalty, and provide a written explanation acceptable to the ERCB addressing the failure to respond and detailing steps to prevent future occurrences.</p> <p>Jordan Energy Inc. submitted full payment of its 2009 Orphan Fund Levy, plus 20% penalty. However, licensee remains on Global Refer Status for failure to provide a written explanation to the ERCB.</p>
18	Lone Mark Energy Ltd.	Corporate Compliance/ Orphan Levy	Failure to pay 2009 Orphan Fund Levy, plus 20% penalty.	July 23, 2009	N/A – Against Licensee	<p>Global Refer Status.</p> <p>Issuance of Miscellaneous Order No. MISC 2009-31.</p> <p>Licensee required to pay the 2009 Orphan Fund Levy, plus 20% penalty, and provide a written explanation acceptable to the ERCB addressing the failure to respond and detailing steps to prevent future occurrences.</p> <p>Lone Mark Energy Ltd. in receivership.</p>

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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
19	Magnus Energy Inc.	Corporate Compliance/ Orphan Levy	Failure to pay 2009 Orphan Fund Levy, plus 20% penalty.	July 23, 2009	N/A – Against Licensee	<p>Global Refer Status.</p> <p>Issuance of Miscellaneous Order No. MISC 2009-32.</p> <p>Licensee required to pay the 2009 Orphan Fund Levy, plus 20% penalty, and provide a written explanation acceptable to the ERCB addressing the failure to respond and detailing steps to prevent future occurrences.</p> <p>Magnus Energy Inc. failed to comply. Closure Order No. C 1164 and Abandonment Orders No. AD 2009-39 and AD 2009-40 were subsequently issued.</p> <p>Amended Abandonment Order No. AD 2009-39A subsequently issued to capture working interest participation changes in the subject well. Licensee and working interest participant granted until November 22, 2009 to comply.</p>
20	Magnus One Energy Corp.	Corporate Compliance/ Orphan Levy	Failure to pay 2009 Orphan Fund Levy, plus 20% penalty.	July 23, 2009	N/A – Against Licensee	<p>Global Refer Status.</p> <p>Issuance of Miscellaneous Order No. MISC 2009-33.</p> <p>Licensee required to pay the 2009 Orphan Fund Levy, plus 20% penalty, and provide a written explanation acceptable to the ERCB addressing the failure to respond and detailing steps to prevent future occurrences.</p> <p>Magnus One Energy Corp. failed to comply. Closure/Abandonment Orders No. AD 2009-33, AD 2009-</p>

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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
						34, AD 2009-35 and AD 2009-36 were subsequently issued. Magnus One Energy Corp. and working interest participant granted extensions to abandon licensed properties.
21	Northern Sun Exploration Company Inc.	Corporate Compliance/ Orphan Levy	Failure to pay 2009 Orphan Fund Levy, plus 20% penalty.	July 23, 2009	N/A – Against Licensee	Global Refer Status. Issuance of Miscellaneous Order No. MISC 2009-34. Licensee required to pay the 2009 Orphan Fund Levy, plus 20% penalty, and provide a written explanation acceptable to the ERCB addressing the failure to respond and detailing steps to prevent future occurrences. Northern Sun Exploration Company Inc. submitted full payment of its 2009 Orphan Fund Levy, plus 20% penalty, and provided a written explanation to the ERCB. Compliance achieved.
22	Nvi Mining Ltd.	Corporate Compliance/ Orphan Levy	Failure to pay 2009 Orphan Fund Levy, plus 20% penalty.	July 23, 2009	N/A – Against Licensee	Global Refer Status. Issuance of Miscellaneous Order No. MISC 2009-35. Licensee required to pay the 2009 Orphan Fund Levy, plus 20% penalty, and provide a written explanation acceptable to the ERCB addressing the failure to respond and detailing steps to prevent future occurrences. NVI Mining Ltd. failed to comply.

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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
						<p>Closure Order No. C 1143 and Abandonment Order No. AD 2009-13 were subsequently issued.</p> <p>NVI Mining Ltd. submitted full payment of its 2009 Orphan Fund Levy, plus 20% penalty, and provided a written explanation to the ERCB.</p> <p>Compliance achieved.</p>
23	Ortynsky Exploration Limited	Corporate Compliance/ Orphan Levy	Failure to pay 2009 Orphan Fund Levy, plus 20% penalty.	July 23, 2009	N/A – Against Licensee	<p>Global Refer Status.</p> <p>Issuance of Miscellaneous Order No. MISC 2009-18.</p> <p>Licensee required to pay the 2009 Orphan Fund Levy, plus 20% penalty, and provide a written explanation acceptable to the ERCB addressing the failure to respond and detailing steps to prevent future occurrences.</p> <p>Ortynsky Exploration Limited failed to comply. File referred to Alberta Environment as reclamation-only liability remains in the company.</p>
24	Peace West Energy Corporation	Corporate Compliance/ Orphan Levy	Failure to pay 2009 Orphan Fund Levy, plus 20% penalty.	July 23, 2009	N/A – Against Licensee	<p>Global Refer Status.</p> <p>Issuance of Miscellaneous Order No. MISC 2009-36.</p> <p>Licensee required to pay the 2009 Orphan Fund Levy, plus 20% penalty, and provide a written explanation acceptable to the ERCB addressing the failure to respond and detailing steps to prevent future occurrences.</p>

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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
						Peace West Energy Corporation failed to comply. The ERCB is in the process of abandoning licensee's wells due to previously breached abandonment orders.
25	Pennant Energy Inc.	Corporate Compliance/ Orphan Levy	Failure to pay 2009 Orphan Fund Levy, plus 20% penalty.	July 23, 2009	N/A – Against Licensee	<p>Global Refer Status.</p> <p>Issuance of Miscellaneous Order No. MISC 2009-7.</p> <p>Licensee required to pay the 2009 Orphan Fund Levy, plus 20% penalty, and provide a written explanation acceptable to the ERCB addressing the failure to respond and detailing steps to prevent future occurrences.</p> <p>Pennant Energy Inc. submitted full payment of its 2009 Orphan Fund Levy, plus 20% penalty, and provided a written explanation to the ERCB.</p> <p>Compliance achieved.</p>
26	Radius Resources Corp.	Corporate Compliance/ Orphan Levy	Failure to pay 2009 Orphan Fund Levy, plus 20% penalty.	July 23, 2009	N/A – Against Licensee	<p>Global Refer Status.</p> <p>Issuance of Miscellaneous Order No. MISC 2009-9.</p> <p>Licensee required to pay the 2009 Orphan Fund Levy, plus 20% penalty, and provide a written explanation acceptable to the ERCB addressing the failure to respond and detailing steps to prevent future occurrences.</p> <p>Radius Resources Corp. failed to comply. Closure Order No. C 1165 was subsequently issued.</p>

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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
						<p>Radius Resources Corp. submitted full payment of its 2009 Orphan Fund Levy, plus 20% penalty, and provided a written explanation to the ERCB.</p> <p>Compliance achieved.</p>
27	Ramparts Energy Ltd.	Corporate Compliance/ Orphan Levy	Failure to pay 2009 Orphan Fund Levy, plus 20% penalty.	July 23, 2009	N/A – Against Licensee	<p>Global Refer Status.</p> <p>Issuance of Miscellaneous Order No. MISC 2009-37.</p> <p>Licensee required to pay the 2009 Orphan Fund Levy, plus 20% penalty, and provide a written explanation acceptable to the ERCB addressing the failure to respond and detailing steps to prevent future occurrences.</p> <p>Ramparts Energy Ltd. in receivership.</p>
28	Redeye Energy Limited	Corporate Compliance/ Orphan Levy	Failure to pay 2009 Orphan Fund Levy, plus 20% penalty.	July 23, 2009	N/A – Against Licensee	<p>Global Refer Status.</p> <p>Issuance of Miscellaneous Order No. MISC 2009-38.</p> <p>Licensee required to pay the 2009 Orphan Fund Levy, plus 20% penalty, and provide a written explanation acceptable to the ERCB addressing the failure to respond and detailing steps to prevent future occurrences.</p> <p>Redeye Energy Limited submitted full payment of its 2009 Orphan Fund Levy, plus 20% penalty, and provided a written explanation to the ERCB.</p>

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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
						Compliance achieved.
29	RIA Resources Corp.	Corporate Compliance/ Orphan Levy	Failure to pay 2009 Orphan Fund Levy, plus 20% penalty.	July 23, 2009	N/A – Against Licensee	<p>Global Refer Status.</p> <p>Issuance of Miscellaneous Order No. MISC 2009-45.</p> <p>Licensee required to pay the 2009 Orphan Fund Levy, plus 20% penalty, and provide a written explanation acceptable to the ERCB addressing the failure to respond and detailing steps to prevent future occurrences.</p> <p>RIA Resources Corp. submitted full payment of its 2009 Orphan Fund Levy, plus 20% penalty, and provided a written explanation to the ERCB.</p> <p>Compliance achieved.</p>
30	Saguaro Energy Corp.	Corporate Compliance/ Orphan Levy	Failure to pay 2009 Orphan Fund Levy, plus 20% penalty.	July 23, 2009	N/A – Against Licensee	<p>Global Refer Status.</p> <p>Issuance of Miscellaneous Order No. MISC 2009-39.</p> <p>Licensee required to pay the 2009 Orphan Fund Levy, plus 20% penalty, and provide a written explanation acceptable to the ERCB addressing the failure to respond and detailing steps to prevent future occurrences.</p> <p>Saguaro Energy Corp. failed to comply. File referred to Alberta Environment as reclamation-only liability remains in the company.</p>

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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
31	Sahara Energy Ltd.	Corporate Compliance/ Orphan Levy	Failure to pay 2009 Orphan Fund Levy, plus 20% penalty.	July 23, 2009	N/A – Against Licensee	<p>Global Refer Status.</p> <p>Issuance of Miscellaneous Order No. MISC 2009-40.</p> <p>Licensee required to pay the 2009 Orphan Fund Levy, plus 20% penalty, and provide a written explanation acceptable to the ERCB addressing the failure to respond and detailing steps to prevent future occurrences.</p> <p>Sahara Energy Ltd. failed to comply. Closure Orders No. C1167 and C1168 were subsequently issued.</p> <p>Sahara Energy Ltd. submitted full payment of its 2009 Orphan Fund Levy, plus 20% penalty, and provided a written explanation to the ERCB.</p> <p>Compliance achieved.</p>
32	San Juan Resources Inc.	Corporate Compliance/ Orphan Levy	Failure to pay 2009 Orphan Fund Levy, plus 20% penalty.	July 23, 2009	N/A – Against Licensee	<p>Global Refer Status.</p> <p>Issuance of Miscellaneous Order No. MISC 2009-10.</p> <p>Licensee required to pay the 2009 Orphan Fund Levy, plus 20% penalty, and provide a written explanation acceptable to the ERCB addressing the failure to respond and detailing steps to prevent future occurrences.</p> <p>San Juan Resources Inc. in receivership.</p>

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
33	Silver Swan Resources Inc.	Corporate Compliance/ Noncompliance with Liability Management Program Requirements	Failure to pay security deposit.	May 20, 2009	06-08-028-05W4 Special Area 3 (near Oyen)	<p>This is an escalation from previous enforcement actions reported on May 7, 2009, and May 20, 2009.</p> <p>Global Refer status.</p> <p>Issuance of Abandonment Order No. AD 2009-30.</p> <p>Abandonment of well licence.</p> <p>Licensee required to pay security deposit, 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>Silver Swan Resources Inc. failed to comply with the abandonment order. The ERCB notified Silver Swan Resources Inc. of its intention to have the well abandoned as a result of the breaching of the abandonment order.</p>
34	Silver Swan Resources Inc.	Corporate Compliance/ Orphan Levy	Failure to pay 2009 Orphan Fund Levy, plus 20% penalty.	July 22, 2009	N/A – Against Licensee	<p>Global Refer Status.</p> <p>Issuance of Miscellaneous Order No. MISC 2009-41.</p> <p>Licensee required to pay the 2009 Orphan Fund Levy, plus 20% penalty, and provide a written explanation acceptable to the ERCB addressing the failure to respond and detailing steps to prevent future occurrences.</p>

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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
						<p>Silver Swan Resources Inc. failed to comply. Closure/Abandonment Order No. AD 2009-31 subsequently issued.</p> <p>Silver Swan Resources Inc. failed to comply with the closure/abandonment order. The ERCB notified Silver Swan Resources Inc. of its intention to have the well abandoned as a result of the breaching of the closure/abandonment order.</p>
35	Slate Energy Inc.	Corporate Compliance/ Orphan Levy	Failure to pay 2009 Orphan Fund Levy, plus 20% penalty.	July 23, 2009	N/A – Against Licensee	<p>Global Refer Status.</p> <p>Issuance of Miscellaneous Order No. MISC 2009-42.</p> <p>Licensee required to pay the 2009 Orphan Fund Levy, plus 20% penalty, and provide a written explanation acceptable to the ERCB addressing the failure to respond and detailing steps to prevent future occurrences.</p> <p>Slate Energy Inc. failed to comply. Closure Orders No. C 1169 and C 1170 were subsequently issued.</p> <p>Slate Energy Inc. submitted full payment of its 2009 Orphan Fund Levy, plus 20% penalty, and provided a written explanation to the ERCB.</p> <p>Compliance achieved.</p>
36	Spence, Cliff	Corporate Compliance/ Orphan Levy	Failure to pay 2009 Orphan Fund Levy, plus 20% penalty.	July 23, 2009	N/A – Against Licensee	<p>Global Refer Status.</p> <p>Issuance of Miscellaneous Order No. MISC 2009-19.</p>

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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
						<p>Licensee required to pay the 2009 Orphan Fund Levy, plus 20% penalty, and provide a written explanation acceptable to the ERCB addressing the failure to respond and detailing steps to prevent future occurrences.</p> <p>Spence, Cliff failed to comply. File referred to Alberta Environment as reclamation-only liability remains.</p>
37	Strata Oil & Gas Inc.	Corporate Compliance/ Orphan Levy	Failure to pay 2009 Orphan Fund Levy, plus 20% penalty.	July 23, 2009	N/A – Against Licensee	<p>Global Refer Status.</p> <p>Issuance of Miscellaneous Order No. MISC 2009-43.</p> <p>Licensee required to pay the 2009 Orphan Fund Levy, plus 20% penalty, and provide a written explanation acceptable to the ERCB addressing the failure to respond and detailing steps to prevent future occurrences.</p> <p>Strata Oil & Gas Inc. failed to comply. Closure Order No. C 1171 and Abandonment Order No. AD 2009-42 were subsequently issued.</p> <p>Strata Oil & Gas Inc. submitted full payment of its 2009 Orphan Fund Levy, plus 20% penalty, and provided a written explanation to the ERCB.</p> <p>Compliance achieved.</p>

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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
38	Tajzha Ventures Ltd.	Corporate Compliance/ Orphan Levy	Failure to pay 2009 Orphan Fund Levy, plus 20% penalty.	July 23, 2009	N/A – Against Licensee	<p>Global Refer Status.</p> <p>Issuance of Miscellaneous Order No. MISC 2009-23.</p> <p>Licensee required to pay the 2009 Orphan Fund Levy, plus 20% penalty, and provide a written explanation acceptable to the ERCB addressing the failure to respond and detailing steps to prevent future occurrences.</p> <p>Tajzha Ventures Ltd. submitted full payment of its 2009 Orphan Fund Levy, plus 20% penalty, and provided a written explanation to the ERCB.</p> <p>Compliance achieved.</p>
39	Trophy Petroleum Corporation	Corporate Compliance/ Orphan Levy	Failure to pay 2009 Orphan Fund Levy, plus 20% penalty.	July 23, 2009	N/A – Against Licensee	<p>Global Refer Status.</p> <p>Issuance of Miscellaneous Order No. MISC 2009-06.</p> <p>Licensee required to pay the 2009 Orphan Fund Levy, plus 20% penalty, and provide a written explanation acceptable to the ERCB addressing the failure to respond and detailing steps to prevent future occurrences.</p> <p>Trophy Petroleum Corporation failed to comply. Closure Order No. C 1172 and Abandonment Orders No. AD 2009-43 and AD 2009-44 were subsequently issued.</p> <p>Trophy Petroleum Corporation failed to comply with the</p>

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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
						abandonment orders. The ERCB notified Trophy Petroleum Corporation of its intention to have the wells abandoned as a result of the breaching of the abandonment orders.
40	Verdx Minerals Corporation	Corporate Compliance/ Orphan Levy	Failure to pay 2009 Orphan Fund Levy, plus 20% penalty.	July 23, 2009	N/A – Against Licensee	<p>Global Refer Status.</p> <p>Issuance of Miscellaneous Order No. MISC 2009-20.</p> <p>Licensee required to pay the 2009 Orphan Fund Levy, plus 20% penalty, and provide a written explanation acceptable to the ERCB addressing the failure to respond and detailing steps to prevent future occurrences.</p> <p>Verdx Minerals Corporation failed to comply. File referred to Alberta Environment as reclamation-only liability remains in the company.</p>

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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	Gusher Oil & Gas Ltd.	Corporate Compliance/ Environmental and Public Safety	Failure to pay abandonment costs.	July 24, 2009	09-27-054-22W4 Strathcona County	Global Refer Status. Issuance of Abandonment Cost Order No. ACO 2009-2. Licensee required to pay abandonment costs, plus a 25% penalty. Gusher Oil & Gas Ltd. failed to comply.
2	Pennine Petroleum Corporation	Corporate Compliance/ Petroleum and Natural Gas Rights Expiry	Failure to prove to the satisfaction of the ERCB that Pennine Petroleum Corporation has a valid entitlement to the right to produce the well.	July 22, 2009	12-26-073-06W6 County of Grande Prairie	This is an escalation from a previous enforcement action reported on June 19, 2009. Global Refer Status. Issuance of Abandonment Order No. AD 2009-29. Abandonment of well licence. Licensee required to abandon the 12-26-073-06W6 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. Pennine Petroleum Corporation abandoned the well, provided an acceptable action plan, and met with the ERCB. Compliance achieved.

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 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.

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 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.

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 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.

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. 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.