

## Five Most Common Noncompliances in Ten Inspection Categories

This summary has been developed in response to industry's request for timely and relevant information on compliance. It can help industry members understand Alberta Energy Regulator (AER) requirements.

This summary focuses on operational issues related to drilling, well servicing, oil and gas operations, pipelines, well sites, drilling waste, oilfield waste management facilities, and oil sands and coal mines.

**January 1, 2017 – December 31, 2017**

Drilling		Estimated number of occurrences
1)	OGCR, 8.129(2); <i>Directive 036</i> , 11.1.4 – STICK diagram does not contain all the required information.	3
2)	OGCR, 8.129(2); <i>Directive 036</i> , 19.7.2 – Fluids not properly contained.	3
3)	OGCR, 8.129(2); <i>Directive 036</i> , 17.1.1 – Licensee did not notify the appropriate field enter within 12 hours of the commencement of the drilling of a well.	3
4)	OGCR, 8.129(2); <i>Directive 036</i> , 11.2.5.1 – Required BOP drills not recorded in the drilling logbook.	3
5)	OGCR, 8.129(2); <i>Directive 036</i> , appendix 5 – Shop servicing, testing, and storage documents not available at the rig.	2

Gas facility		Estimated number of occurrences
1)	OGCR, 8.150(4) – Facility not maintained in a clean condition.	93
2)	OGCR, 8.030(2); <i>Directive 055(12)</i> - Aboveground/underground tanks out of service do not meet the requirements.	42
3)	<i>Directive 039</i> , (3); <i>Directive 060</i> , 8.3(2)(b) – Dehydrator engineering and operations sheet not done, is incomplete, or is not posted.	39
4)	OGCR, 14.140; <i>Directive 017</i> , 2.5.1 and 2.5.2.1 – Meter not calibrated/proved since installation or following repairs, or calibration/proving expired.	36
5)	OGCR, 6.020(3), (6); <i>Directive 055</i> , 3.8 – Conspicuous identification sign not posted at the primary entrance to the well or facility.	31

Pipeline		Estimated number of occurrences
1)	<i>Pipeline Rules</i> 7(3)(b); CSA Z662-15, 10.5.1.1(a) – Licensee is not able to demonstrate that procedures in the manuals have been implemented, or it is not operating and maintaining its pipeline systems in accordance with documented procedures.	141
2)	<i>Pipeline Rules</i> , 82(1) – Pipeline is not discontinued, abandoned, or returned to service after 12 months of no active flowing service.	92
3)	<i>Pipeline Rules</i> , 54(1) and 56 – For metallic pipelines, licensee internal corrosion mitigation records inaccurate or incomplete.	79
4)	<i>Pipeline Rules</i> , 82(2) – Pipeline is not abandoned or discontinued in accordance with the requirements of <i>Directive 056</i> .	73
5)	<i>Pipeline Rules</i> , 9.10.3.1; CSA Z662, – Company does not monitor the effectiveness of its internal corrosion control programs.	57

Well site		Estimated number of occurrences
1)	OGCR, 8.150(4) – Well not maintained in a clean condition.	163
2)	OGCR, 3.020(1); <i>Directive 013</i> , table 1 – All wellhead valves are not chained and locked, or valve handles not removed.	148
3)	OGCR, 6.020(3), (5), (7); <i>Directive 055</i> (3.8) – Improper identification sign.	131
4)	OGCR, 6.020(3); <i>Directive 055</i> (3.8) – Conspicuous identification sign not posted at the primary entrance to the well.	100
5)	OGCR, 3.020(3); <i>Directive 013</i> , table 1 – All outlets (except surface casing vents) not bull plugged or blind flanged with needle valves.	94

Drilling waste		Estimated number of occurrences
1)	OGCR, 8.150(4) – Facility not maintained in a clean condition.	7
2)	<i>Directive 050</i> , 6.2(7), 6.4(14), and 8.2(5)(b) – Drilling waste storage system is not secured to prevent public or wildlife from entering it.	4
3)	<i>Directive 050</i> , 21.3(3) – Required notification information not submitted through the AER Digital Data Submission System.	3
4)	<i>Directive 050</i> , 6.2(11) – Storage system not physically closed within 18 months of rig release of first well that contributed drilling waste.	3
5)	<i>Directive 050</i> , 6.4(14) and 8.2(5)(b) – Remote storage site does not have proper signage.	2

Oil facility		Estimated number of occurrences
1)	OGCR, 8.150(4) – Facility not maintained in a clean condition.	136
2)	OGCR, 8.030(2); <i>Directive 055</i> , 12 – Aboveground/underground tanks out of service do not meet the requirements.	58
3)	OGCR, 8.030(2); <i>Directive 055</i> , 5.3 – Secondary containment not designed, constructed, sized, and maintained as required.	55
4)	OGCR, 6.020(3),(6); <i>Directive 055</i> , 3.8 – Conspicuous identification sign not posted at the primary entrance to the well or facility.	34
5)	OGCR, 14.040; <i>Directive 017</i> , 2.5.1 and 2.5.2.1 – Meter not calibrated/proved since installation or following repairs, or calibration/proving expired.	33

Well service		Estimated number of occurrences
1)	OGCR, 8.129(2); <i>Directive 037</i> , 320(6) – Accumulator gauge inaccurate or unavailable.	3
2)	OGCR, 8.129(2); <i>Directive 037</i> , 275 (2) - Incomplete pressure test data recorded in tour reports.	3
3)	OGCR, 8.129(2); <i>Directive 037</i> , 230(2) – Diesel engine shut-off did not operate.	3
4)	OGCR, 8.129(2); <i>Directive 037</i> , 260(1) – BOP components not pressure tested.	2
5)	OGCR, 3.062; <i>Directive 083</i> , 8(29) – Hydraulic fracturing pressure test notification late or did not occur.	2

Waste facility		Estimated number of occurrences
1)	OGCR 7.001, 7.003, and 8.150(3)(a)-(c), (e)-(f); <i>Directive 058</i> , 2.1(2) – Waste management approval operational requirements not met.	9
2)	WMR, 47–56, 58; WA, 142(1)(e) – Construction, drilling, maintenance, servicing, monitoring, and well specification requirements do not meet the WMR requirements.	6
3)	OGCR 7.003; <i>Directive 058</i> , 11.3(2) and 11.6(3) – Odour emissions other than H <sub>2</sub> S at an oilfield waste management facility.	5
4)	OGCR 7.003; 8.150(3)(a),(d); <i>Directive 058</i> (2.1(2)) – Waste management approval administrative requirements are not met.	5
5)	OGCR 7.003; <i>Directive 047</i> – Oilfield waste accounting was not done appropriately.	5

Oil sands mine		Estimated number of occurrences
1)	EPEA, 110(1), (2) – Failure to report a release as required.	3
2)	EPEA, 227(e) – Storage requirements not met.	3
3)	EPEA 2.1.1.1 and 4.1.36(b) – Cylinder gas audit test failed.	1
4)	EPEA, 227(e) – Plan/proposal conditions not met.	1
5)	EPEA 4.2.2 – The approval holder did not manage industrial wastewater and industrial runoff from the plant as described in the application.	1

Coal mine		Estimated number of occurrences
1)	EPEA, 227(e) – Storage conditions not met.	2
2)	WA, 142(1)(e) – The activity does not meet the siltation and erosion control requirements.	2
3)	EPEA, 227(e) – Soil management program conditions not met.	1
4)	EPEA, 227(e) – Monitoring wells not locked/protected/repared as required.	1
5)	EPEA, 227(e) – Site and design requirements not met.	1

## Inspection Details by Category

Inspection category	Noncompliant	Satisfactory	Total	Noncompliance rate (%)
Drilling	32	141	173	18
Gas facility	425	1104	1529	28
Pipeline	504	1360	1864	27
Well site	872	3665	4537	19
Drilling waste	20	70	90	22
Oil facility	447	1431	1878	24
Well service	21	108	129	16
Waste facility	36	66	102	35
Oil sands mine	18	137	155	12
Coal mine	8	42	50	16
<b>Total</b>	<b>2383</b>	<b>8124</b>	<b>10507</b>	<b>23</b>