

Top 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 be used by industry members to gain a better understanding of Alberta Energy Regulator (AER) requirements.

This summary focuses specifically 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- December 31, 2016

Drilling		Estimated Number of Occurrences
1)	22.1.2 – Failure to meet minimum casing and cementing requirements.	6
2)	1.1.4.2 – STICK diagram does not contain all the required information.	3
3)	6.4.2.1 – Required BOP/HCR function test not conducted.	1
4)	6.1.1 – Accumulator pressure dropped below 8,400 KPA after function test.	1
5)	11.3.1.2 – Flow checks not recorded in the drilling logbook.	1

Gas Facility		Estimated Number of Occurrences
1)	3.2.5.5 – Facility not maintained in a clean condition.	132
2)	1.8.5.55 – Aboveground/underground tank(s) out of service and do not meet the requirements.	68
3)	1.1.5.30 – Meter not calibrated or calibration expired.	40
4)	1.6.5.10 – Improper identification sign.	35
5)	1.6.5.15 – No or improper warning symbol posted adjacent to all entrances of wells and facilities.	28

Pipeline		Estimated Number of Occurrences
1)	5.1.20.1 – 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.	118
2)	8.1.10.1 – Pipeline is not discontinued, abandoned, or returned to service after 12 months of no active flowing service.	104
3)	5.5.5.1 – Internal corrosion mitigation records/procedure issues.	82
4)	8.1.15.1 – Pipeline is not abandoned or discontinued in accordance with the requirements of <i>Directive 056</i> .	79
5)	5.6.95.1 – Cathodic protection of steel and aluminum lines is not inspected or tested properly or records not available.	52

Well Site		Estimated Number of Occurrences
1)	3.2.5.5 – Well not maintained in a clean condition.	174
2)	4.1.5.8 – All wellhead valves are not chained and locked or valve handles not removed.	158
3)	4.1.5.13 – All outlets (except surface casing vents) not bull plugged or blind flanged with needle valves.	86
4)	1.7.5.68 – No or inadequate surface casing vent.	80
5)	1.6.5.5 – Conspicuous identification sign not posted at the primary entrance to the well or facility.	79

Drilling Waste		Estimated Number of Occurrences
1)	2.1.7.1 – Storage system not physically closed within 18 months of rig release of first well that contributed drilling waste.	3
2)	2.2.3.1 – Drilling waste storage system is not secured to prevent public or wildlife from entering it.	3
3)	1.1.1.1 – Required notification information not submitted through the DDS system.	2
4)	2.1.1.1 – Failure to store drilling waste in an appropriate storage system.	1
5)	3.1.1.1 – Failure to dispose of cement returns as outlined in <i>Directive 050</i> .	1

Oil Facility		Estimated Number of Occurrences
1)	3.2.5.5 – Facility not maintained in a clean condition.	136
2)	1.8.5.55 – Aboveground/underground tank(s) out of service do not meet the requirements.	79
3)	1.8.5.25 – Secondary containment not designed, constructed, sized, and maintained as required.	35
4)	1.6.5.5 – Conspicuous identification sign not posted at the primary entrance to the well or facility.	28
5)	50.9.1 – Waste material, debris, refuse or garbage accumulating on site.	27

Well Service		Estimated Number of Occurrences
1)	1.54.G1 – Hydraulic hoses inadequately fire sheathed or fire sheathing damaged.	4
2)	99.1.1 – Hydraulic fracturing pressure test notification late.	3
3)	5.108.G2 – Contractor and operator detailed inspections not conducted	2
4)	3.85.S1 – Daily BOP mechanical tests not completed.	1
5)	1.52.G1 – Three-year shop servicing not conducted.	1

Waste Facility		Estimated Number of Occurrences
1)	5.1.1.1 – WM Approval operational requirements are not met.	13
2)	3.1.2.1 – Odour emissions other than H ₂ S at an Oilfield Waste Management Facility.	7
3)	5.1.2.1 – WM Approval administrative requirements are not met.	6
4)	1.1.6.1 – Flared/vented gas not reported to the Petrinex.	5
5)	71.1.14.1 – Duties after water well completion as per the WMR not met.	4

Oil Sands Mine		Estimated Number of Occurrences
1)	50.5.1 – Erosion on site not being controlled.	3
2)	75.1.2.1 – Dam or canal not operated and maintained in accordance with terms and conditions of licence.	2
3)	61.1.1.1 – No EPEA approval where required.	2
4)	50.11.1 – Weeds not actively being managed.	2
5)	2.1.18.1 – Late notification of a reportable spill.	1

Coal Mine		Estimated Number of Occurrences
1)	50.5.1 – Erosion on site is not being controlled.	2
2)	72.1.20.1 – Water is pooling on the crest of the dam due to improper drainage.	1
3)	61.6.2.1 – Storage approval conditions not met.	1
4)	50.11.1 – Weeds not actively being maintained.	1
5)	70.1.10.1 – Minimum flow not maintained below dam into natural watercourse.	1

Inspection Details by Category

Inspection Category	Noncompliant	Satisfactory	Total	Noncompliance Rate (%)
Drilling	29	120	149	19.5
Gas facility	493	1108	1601	30.8
Pipeline	540	1352	1892	28.5
Well site	895	3029	3924	22.8
Drilling waste	14	79	93	15.1
Oil facility	435	1775	2210	19.7
Well service	18	118	136	13.2
Waste facility	41	43	84	48.8
Oil sands mine	14	96	110	12.7
Coal mine	12	37	49	24.5
Total	2491	7757	10 248	24.3