



ERCB Monthly Enforcement Action Summary

November 2007

ENERGY RESOURCES CONSERVATION BOARD
ST108: ERCB Monthly Enforcement Action Summary, November 2007

March 2008

Published by

Energy Resources Conservation Board
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Contents

High Risk Compliance Category Statistics..... 1
High Risk Enforcement Action 1 2
High Risk Enforcement Action 2 (Persistent Noncompliance)..... 18
High Risk Enforcement Action 3 (Failure to Comply or Demonstrated Disregard)..... 19
Low Risk Enforcement Action – Global REFER Summary 20
Legislative/Regulatory Enforcement Action 23
Endnotes 24

High Risk Compliance Category Statistics				
EUB	Compliance Category	November 2007		
		Initial Audits/ Inspections	Number of High Risk Noncompliance	Compliance Rate with High Risk Noncompliance
Applications Branch				
Facilities Applications Group Audit Section	Participant Involvement	66	0	100%
	Facilities Technical	16	0	100%
	Pipelines/Pipeline Installations Technical	16	0	100%
	Wells Technical	52	3	94%
Resources Applications Group Enforcement & Surveillance Section and Coal Section	Enhanced Recovery Scheme	17	2	88%
	Control wells	n/a	2	n/a
Subtotal		167	7	96%
Compliance and Operations Branch				
Operations Group Production Operations Section	Production Measurement & Reporting	6	2	67%
Environment Group Waste and Storage Section	Oilfield Waste Generator	12	0	100%
	Drilling Waste Audits	1	1	0%
	Oilfield Waste Receiver Audits	2	0	100%
Subtotal		21	3	86%
Public Safety/Field Surveillance Branch				
	Drilling Operations	25	1	96%
	Well Servicing	10	0	100%
	Oil Facilities	186	7	96%
	Gas Facilities	127	5	96%
	Pipelines	121	13	89%
	Drilling Waste	13	1	92%
	Well Site Inspections	152	9	94%
	Waste Management	6	0	100%
Subtotal		640	36	94%
Resources Branch				
Geology and Reserves Group Reserves & Allowables Section	Oil Overproduction	547	5	99%
Subtotal		547	5	99%
Total Audit/Inspections High Risk		1375	51	96.3%

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	EUB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Location/ Area	EUB Action(s) and Licensee Response
1	Access Pipeline Inc.	Field Surveillance/ Pipelines	<p>Marking of existing pipelines inside a controlled area is unsatisfactory.</p> <p>Hand excavation: Mechanical excavation takes place within 5 m of existing pipeline prior to hand exposure.</p> <p>No operations and maintenance procedures manual, or not followed.</p> <p>Damage by others - proper procedures were not followed.</p>	November 19, 2007	10-11-046-13W4 Beaver County	<p>Operations suspended.</p> <p>Licensee provided a plan to address the noncompliance and prevent future occurrences.</p> <p>Operations manual has been updated and implemented by licensee.</p> <p>Compliance achieved.</p>
2	Accrete Energy Inc.	Field Surveillance/ Pipelines	Pipeline sign missing or defaced on both sides of a crossing.	November 22, 2007	01-31-031-05W5 Mountain View County	<p>Operations were not suspended as the noncompliance was corrected immediately.</p> <p>Licensee provided a plan to address the noncompliance and prevent future occurrences.</p> <p>Licensee located the signs and placed them in the correct location.</p> <p>Compliance achieved.</p>

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High Risk Enforcement Action 1 ¹						
#	Licensee	EUB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Location/ Area	EUB Action(s) and Licensee Response
3	Alberta Petroleum Energy Limited	Field Surveillance / Pipeline Inspection	Substance is different from that stated on the licence and the line is operating. No operations and maintenance procedures manual – or not followed. Pipeline sign missing or defaced on both sides of a crossing. Noncompliant with other EUB requirement – Licensee has not registered pipelines with Alberta One Call.	November 7, 2007	09-26-010-17W4 M.D. of Taber	Operations suspended. Licensee has updated its manual and registered its pipeline with Alberta One Call. Extension requested to submit licence amendments; request approved. Require a plan to correct the noncompliance and prevent future occurrences.
4	ARC Resources Ltd.	Field Surveillance / Oil Facilities	Flame-type equipment without workable flame arresters less than 25 m from a process vessel.	November 1, 2007	06-14-075-09W6 County of Grande Prairie	Operations were not suspended as the noncompliance was corrected immediately. Licensee provided a plan to address the noncompliance and prevent future occurrences. Licensee installed bolts/ nuts on the flame arrester. Compliance achieved.

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High Risk Enforcement Action 1 ¹						
#	Licensee	EUB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Location/ Area	EUB Action(s) and Licensee Response
5	Arsenal Energy Inc.	Field Surveillance/ Oil Facilities	Flame-type equipment without workable flame arrester less than 25 m from a process vessel. Newly installed tank(s) and associated piping not tested prior to service.	November 30, 2007	12-34-040-15W4 Flagstaff County	Operations were not suspended as the flame arrester noncompliance was corrected immediately and the licensee completed testing on the underground tanks. Licensee provided a plan to address the noncompliance and prevent future occurrences. Licensee installed bolts/ nuts on the flame arrester. Compliance achieved.
6	ATCO Gas and Pipelines Ltd.	Field Surveillance/ Pipelines	Damage by others - proper procedures were not followed.	November 15, 2007	03-20-021-29W4 M.D. of Foothills	Operations suspended. Licensee provided a plan to address the noncompliance and prevent future occurrences. Licensee met with the EUB to review ground disturbance procedures. Compliance achieved.
7	Avenir Operating Corp.	Geology and Reserves/ Oil Overproduction	Failure to retire oil overproduction.	November 30, 2007	00/11-04-011-19W4/2 County of Lethbridge	Operations suspended. Licensee confirmed that the well 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. All overproduction retired. Compliance achieved.

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High Risk Enforcement Action 1 ¹						
#	Licensee	EUB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Location/ Area	EUB Action(s) and Licensee Response
8	Bonavista Petroleum Ltd.	Facility Applications/ Wells Technical	No rights to substance(s) for the intended formation(s).	November 21, 2007	100/10-21-059-03W4 100/03-11-053-06W4 M.D. of Bonnyville	Licences cancelled. Licensee provided a plan to address the noncompliance and prevent future occurrences. Compliance achieved.
9	Burlington Resources Canada Ltd.	Field Surveillance/ Gas Facilities	Emergency Response Plan manual not updated yearly, exercises not conducted, or details not documented.	November 15, 2007	06-25-045-10W5 Brazeau County	Operations were not suspended as there was no immediate or potential hazard/ impact to the public and/ or environment. Licensee provided a plan to address the noncompliance and prevent future occurrences. Licensee conducted an Emergency Response Plan exercise. Compliance achieved.
10	City of Medicine Hat	Field Surveillance/Pipelines	Cathodic potential is less than nominal -.85 volts on an operating or discontinued system.	November 8, 2008	10-35-018-14W4 County of Newell	Operations suspended. Licensee provided a plan to address the noncompliance and prevent future occurrences. Compliance achieved.
11	Compton Petroleum Corporation	Facility Applications/ Wells Technical	Failure to have permission from the mineral rights owner or lessee to exceed the 15 m overhole depth prior to filing the application.	November 28, 2007	100/01-03-038-06W5/0 Clearwater County	Licence not cancelled or suspended as the noncompliance was corrected immediately. 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	EUB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Location/ Area	EUB Action(s) and Licensee Response
12	ConocoPhillips Canada Resources	Field Surveillance/ Well Site Inspections	Site security procedures - gate left unlocked.	November 15, 2007	08-21-039-03W5 Lacombe County	Operations suspended. Licensee provided a plan to address the noncompliance and prevent future occurrences. Licensee locked the gate. Compliance achieved.
13	ConocoPhillips Canada Resources	Field Surveillance/ Well Site Inspections	Site security procedures - gate left unlocked.	November 15, 2007	08-16-039-03W5 Lacombe County	Operations suspended. Licensee provided a plan to address the noncompliance and prevent future occurrences. Licensee locked the gate. Compliance achieved.
14	Culane Energy Corp.	Geology and Reserves/ Oil Overproduction	Failure to retire oil overproduction.	November 30, 2007	03/11-10-046-12W4/2 04/11-10-046-12W4/3 00/04-09-046-12W4/3 02/04-09-046-12W4/3 Beaver County	Operations suspended. Licensee confirmed that the well 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. 03/11-10/2 & 04/11-10/3: Request for waiver of overproduction denied. 03/11-10/2, 04-11-10/3, and 02/04-09/3: all overproduction retired; compliance achieved.

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High Risk Enforcement Action 1 ¹						
#	Licensee	EUB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Location/ Area	EUB Action(s) and Licensee Response
15	Daylight Energy Ltd.	Field Surveillance/ Oil Facilities	H ₂ S emissions off lease.	November 14, 2007	16-17-069-22W5M M.D. of Greenview	Operations suspended. Licensee provided a plan to address the noncompliance and prevent future occurrences. Licensee determined the emissions were from the production tank. Tank was taken out of service. Compliance achieved.
16	Defiant Resources Corporation	Operations Group/ Production Measurement and Reporting	Gas meter(s) does not exist, is not installed correctly, or not in use.	November 19, 2007	07-20-071-04W6 County of Grand Prairie	Operations were not suspended as there was no immediate or potential hazard/ impact to the public and/ or environment. Licensee provided a plan to address the noncompliance and prevent future occurrences. Compliance achieved.
17	Diamond Tree Energy Ltd.	Geology and Reserves/ Oil Overproduction	Failure to retire oil overproduction.	November 30, 2007	00/16-35-054-12W5/0 Yellowhead County	Operations suspended. Licensee confirmed that the well 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. All overproduction retired. Compliance achieved.

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#	Licensee	EUB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Location/ Area	EUB Action(s) and Licensee Response
18	Enermark Inc.	Geology and Reserves/ Oil Overproduction	Failure to retire oil overproduction.	November 30, 2007	00/14-36-076-11W6/2 Saddle Hills County	Operations suspended. Licensee confirmed that the well 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. All overproduction retired. Compliance achieved.
19	Exalta Energy Inc.	Field Surveillance / Ground Disturbance	Noncompliant with other EUB requirements – Total disregard for the requirements for marking of pipelines inside a controlled area.	November 7, 2007	06-36-079-24W5 Birch Hills County	Operations suspended. Licensee provided a plan to address the noncompliance and prevent future occurrences. Compliance achieved.
20	Galleon Energy Inc.	Field Surveillance / Pipeline Inspections	Pipe coating/ handling conditions are unsatisfactory.	November 8, 2007	15-11-072-26W5 to 13-11-072-26W5 M.D. of Greenview	Operations were not suspended as the noncompliance was corrected immediately. Licensee provided a plan to address the noncompliance and prevent future occurrences. Licensee removed and replaced the improperly installed protective coating sleeve. Compliance achieved.

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#	Licensee	EUB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Location/ Area	EUB Action(s) and Licensee Response
21	Great Plains Exploration Inc.	Geology and Reserves/ Oil Overproduction	Failure to retire oil overproduction.	November 30, 2007	00/01-18-076-10W5/0 M.D. of Big Lakes	Operations suspended. Licensee confirmed that all overproduction has been retired. Licensee was directed to develop and implement a plan to address the noncompliance and prevent future occurrences. Compliance achieved.
22	Harvest Grand Inc.	Field Surveillance / Oil Facilities	H ₂ S emissions off lease.	November 2, 2007	16-23-041-14W4 Flagstaff County	Operations were not suspended as the noncompliance was corrected immediately. Licensee provided a plan to address the noncompliance and prevent future occurrences. Compliance achieved.
23	Harvest Operations Corp.	Field Surveillance / Oil Facilities	Flame-type equipment without workable flame arrester less than 25 m from a process vessel.	November 7, 2007	10-22-030-01W5 Mountain View County	Operations were not suspended as the noncompliance was corrected immediately. Licensee provided a plan to address the noncompliance and prevent future occurrences. Licensee repaired the auto-igniter on the flare stack. Compliance achieved.

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High Risk Enforcement Action 1 ¹						
#	Licensee	EUB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Location/ Area	EUB Action(s) and Licensee Response
24	Harvest Operations Corp.	Field Surveillance / Well Site Inspection	Gate left unlocked - Pumping well is located about 250 m from the boundaries of the Town of Didsbury. Both gates on the fence were left unlocked while the well was unattended.	November 7, 2007	16-07-031-01W5 Mountain View County	Operations suspended. Licensee provided a plan to address the noncompliance and prevent future occurrences. Licensee installed new locks. Compliance achieved.
25	Highpine Oil & Gas Limited	Field Surveillance/ Oil Facilities	Failure to immediately notify the EUB of H ₂ S emissions off lease.	November 21, 2007	01-02-49-09W5 Brazeau County	Operations suspended. Licensee provided a plan to address the noncompliance and prevent future occurrences. Compliance achieved.
26	ISH Energy Ltd.	Field Surveillance / Gas Facilities	Underground tank(s) not tested at the required 3-year frequency / operator cannot demonstrate tank integrity. Spill on/off lease not adequately controlled / cleaned up.	November 8, 2007	02-30-074-08W4 Regional Municipality of Wood Buffalo	Operations were not suspended as there was no immediate or potential hazard/ impact to the public and/ or environment. Licensee provided a plan to address the noncompliance and prevent future occurrences. Licensee conducted integrity testing on the tanks. Licensee cleaned up the spill. Compliance achieved.
27	Jed Oil Inc.	Field Surveillance/ Pipelines	Pressure Testing - safety precautions unsatisfactory.	November 20, 2007	10-06-124-17W5 M.D. of Mackenzie	Operations were not suspended as the noncompliance was corrected immediately. 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	EUB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Location/ Area	EUB Action(s) and Licensee Response
28	Lockwood Resources Ltd.	Field Surveillance/ Gas Facilities	Flame-type equipment without workable flame arrester less than 25 m from a process vessel.	November 19, 2007	16-07-055-24W4 Sturgeon County	Operations suspended. Licensee provided a plan to address the noncompliance and prevent future occurrences. Licensee installed bolts/ nuts on the flame arrester. Compliance achieved.
29	NAL Resources Limited	Field Surveillance/ Well Site Inspections	Pumping well within 800 m of public development and does not have fence as per <i>OGC Regulations</i> , Section 8.180(2).	November 15, 2007	04-15-039-03W5 Lacombe County	Operations suspended. Licensee provided a plan to address the noncompliance and prevent future occurrences. Licensee installed a fence around the well. Compliance achieved.
30	Paramount Energy Operation Corp.	Field Surveillance/ Pipelines	Release reporting (<i>Pipeline Act 35(1); IL 98-1</i>): Operator is aware of a reportable release but neglects to report it.	November 27, 2007	07-15-078-04W4 Regional Municipality of Wood Buffalo	Operations suspended. Licensee provided a plan to address the noncompliance and prevent future occurrences. Compliance achieved.
31	Peerless Oil & Gas Inc.	Operations Group/ Production Measurement and Reporting	Inaccurate vent gas estimation. Inaccurate accounting and reporting of actual hydrocarbons liquid production. Inaccurate accounting and reporting of actual gas production.	November 19, 2007	100/15-08-056-11W5 Woodlands County	Operations were not suspended as there was no immediate or potential hazard/ impact to the public and/ or environment. Require a plan to address the noncompliance and prevent future occurrences. Licensee was given an extension until March 28, 2008.

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#	Licensee	EUB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Location/ Area	EUB Action(s) and Licensee Response
32	Pengrowth Corporation	Field Surveillance/ Gas Facilities	Flame-type equipment without workable flame arrester less than 25 m from a process vessel.	November 7, 2007	02-01-031-01W5 Mountain View County	Operations suspended. Licensee provided a plan to address the noncompliance and prevent future occurrences. Licensee installed bolts/ nuts on the flame arrester. Compliance achieved.
33	Penn West Petroleum Ltd.	Resource Applications/ Waterflood Schemes	Failure to commence injection.	November 13, 2007	Pembina Cardium Approval No. 9895 00/02-06-048-07W5/0 Brazeau County	Licensee submitted an application to amend the approval to remove the injection well. Licensee submitted a plan to address the noncompliance and prevent future occurrences.
34	Penn West Petroleum Ltd.	Field Surveillance/ Well Site Inspections	Pumping well within 800 m of public development and does not have fence as per <i>OGC Regulations</i> , Section 8.180(2).	November 15, 2007	04-05-039-04W5 Clearwater County	Operations suspended. Licensee provided a plan to address the noncompliance and prevent future occurrences. Licensee installed a fence around the well. Compliance achieved.
35	Petro-Reef Resources Ltd.	Field Surveillance / Oil Facilities	Noncompliant with other EUB requirement – failure to implement results of Decision Tree Process as per <i>Directive 060</i> , Section 12.1, Table 5.	November 9, 2007	06-01-56-27W4 Sturgeon County	Operations suspended. Licensee provided a plan to address the noncompliance and prevent future occurrences. Compliance achieved.

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#	Licensee	EUB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Location/ Area	EUB Action(s) and Licensee Response
36	Primrose Drilling Ventures Ltd.	Facility Applications/ Wells Technical	Failure to have permission from the mineral rights owner or lessee to exceed the 15 m maximum overhole depth prior to filing the application.	November 15, 2007	102/10-10-054-09W5 Yellowhead County	Operations were not suspended as the noncompliance was corrected immediately. Licensee provided a plan to address the noncompliance and prevent future occurrences. Compliance achieved.
37	Progress Energy Ltd.	Field Surveillance/ Pipelines	Cathodic Protection System – not operational or not installed. Pipeline sign missing or defaced on both sides of a crossing.	November 29, 2007	06-16-066-02W6 M.D. of Greenview.	Operations were not suspended as the pipeline has not been in operation since January 2006. Licensee provided a plan to address the noncompliance and prevent future occurrences. Licensee installed a cathodic protection system for the pipeline. Licensee replaced the pipeline signs. Compliance achieved.
38	Provident Energy Resources Inc.	Application Resources/ Waterflood Schemes	Failure to commence injection.	November 1, 2007	Dixonville Montney C Pool Approval No. 10608 02/06-23-086-01W6/0	Licensee submitted an application to amend the approval to remove the injection well. Licensee submitted a plan to correct the noncompliance and prevent future occurrences.
39	Quicksilver Resources Canada Inc.	Field Surveillance/ Pipelines	Miscellaneous joint failure - manufacturer's techniques and specifications not followed.	November 13, 2007	14-14-036-26W4 Red Deer County	Operations suspended. Licensee provided a plan to address the noncompliance and prevent future occurrences. Licensee repaired the pipeline. Compliance achieved.

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High Risk Enforcement Action 1¹

#	Licensee	EUB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Location/ Area	EUB Action(s) and Licensee Response
40	Quicksilver Resources Canada Inc.	Resources Applications/ Control Wells	Producing wells without the requisite control wells in place.	November 16, 2007	00/01-28-037-20W4 00/08-30-037-20W4 00/16-32-037-20W4 County of Stettler	Operations suspended. Surveillance suggests that operations recommenced in December 2007 prior to restoration of compliance. Licensee provided a plan to address the noncompliance and prevent future occurrences. Surveillance suggests licensee has not met the timeline proposed in its action plan to restore compliance. Discussions are ongoing.
41	Redcliffe Energy Ltd.	Field Surveillance/ Well Site Inspection	Pumping well within 800 m of public development and does not have fence as per <i>OGC Regulations</i> , Section 8.180(2).	November 15, 2007	02-06-039-04W5 Clearwater County	Operations suspended. Licensee provided a plan to address the noncompliance and prevent future occurrences. Licensee installed a fence around the well. Compliance achieved.
42	Silverwing Energy Inc.	Field Surveillance/ Drilling Operations	STICK diagram does not contain all the required information.	November 16, 2007	13-08-051-05W5 Parkland County	Operations suspended. 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	EUB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Location/ Area	EUB Action(s) and Licensee Response
43	Suncor Energy Inc.	Field Surveillance/ Pipelines	There is no approval to construct.	November 29, 2007	09-11-095-06W4 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 provided a plan to address the noncompliance and prevent future occurrences. This noncompliance is still under review.
44	Sunrise Energy Ltd.	Field Surveillance / Pipeline Investigation	Test pressure/ duration does not conform to requirements.	November 9, 2007	16-17-011-05W5 M.D. of Ranchland	Operations suspended. Licensee provided a plan to address the noncompliance and prevent future occurrences. Licensee conducted pressure tests that met EUB guidelines. Compliance achieved.
45	Sunrise Energy Ltd.	Field Surveillance/ Pipelines	There is no approval to construct. Pipeline sign missing or defaced on both sides of a crossing. Noncompliant with other EUB requirement –pipeline not registered with Alberta One Call. As of May 31, 2006, all licensees were to have registered with Alberta One Call Service in accordance with Section 59 of the <i>Pipeline Regulation</i> .	November 27, 2007	05-21-011-05W4 M.D. of Ranchland	Operations suspended. Licensee provided a plan to address the noncompliance and prevent future occurrences. Licensee submitted an application for a licence; application approved. Licensee replaced the pipeline signs. Licensee registered with Alberta One Call. Compliance achieved.

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High Risk Enforcement Action 1¹

#	Licensee	EUB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Location/ Area	EUB Action(s) and Licensee Response
46	Sword Energy Inc.	Field Surveillance/ Well Site Inspection	Residents within required radius not notified of flaring or venting.	November 30, 2007	11-21-044-19W4 County of Camrose	Operations were not suspended as the event occurred prior to the inspection. Licensee provided a plan to address the noncompliance and prevent future occurrences. Compliance achieved.
47	Talisman Energy Inc.	Field Surveillance/ Gas Facilities	Flame-type equipment without workable flame arrester less than 25 m from a process vessel.	November 20, 2007	10-28-056-15W5 Yellowhead County	Operations were not suspended as the noncompliance was corrected immediately. Licensee provided a plan to address the noncompliance and prevent future occurrences. Licensee installed bolts/ nuts on the flame arrester. Compliance achieved.
48	Timberrock Energy Corp.	Environmental Group/ Drilling Waste Audits	All appropriate waste sampling, preparation and testing not conducted according to requirements.	November 14, 2007	15-08-039-07W5 Clearwater County	Operations were not suspended as disposal operations were concluded on Jan. 20, 2006. Require a plan to address the noncompliance and prevent future occurrences. Licensee is required to conduct sampling and analysis of disposal areas. Compliance not yet achieved.

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#	Licensee	EUB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Location/ Area	EUB Action(s) and Licensee Response
49	Transglobe Energy Corporation	Resources Applications/ Control Wells	Producing wells without the requisite control wells in place.	November 29, 2007	00/05-34-037-21W4 00/07-34-037-21W4 03/13-34-037-21W4 00/15-34-037-21W4 County of Stettler	Operations suspended. Licensee provided a plan to address the noncompliance and prevent future occurrences. Requisite control well preliminary validation approved subject to review of desorption and calibration reports. Compliance achieved.
50	Vault Energy Inc.	Field Surveillance / Well Site Inspection	Gate left unlocked (if required as per <i>OGC Regulations</i> , Section 8.180(2)) Pumping well within 800 m of public development and does not have a fence as per <i>OGC Regulations</i> , Section 8.182(2).	November 2, 2007	10-27-033-26W4 Mountain View County	Operations suspended. Licensee provided a plan to address the noncompliance and prevent future occurrences. Licensee locked the gate. Licensee installed a fence around the well. Compliance achieved.
51	Venturion Natural Resources Limited.	Field Surveillance/ Drilling Operations	Disposal is closer than allowable limits to the surface water.	November 22, 2007	10-11-046-13W4 Beaver County	Operations were not suspended as the drilling waste had already been spread. 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	EUB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Location/ Area	EUB Action(s) and Licensee Response
1	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	EUB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Location/ Area	EUB Action(s) and Licensee Response
1	None					

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Low Risk Enforcement Action – Global REFER Summary⁴

#	Licensee	EUB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Location/Area	EUB Action(s) and Licensee Follow-up
1	Contact Exploration Inc.	Corporate Compliance/ Noncompliance with Liability Management Program Requirements	Failure to pay security deposit.	November 28, 2007	N/A – Against Licensee	<p>Global Refer Status.</p> <p>Issuance of Miscellaneous Order No.: MISC 2007-16</p> <p>Licensee required to pay the security deposit and provide a written explanation acceptable to the EUB addressing the failure to respond and detailing steps to prevent future occurrences.</p> <p>Contact Exploration Inc. achieved compliance by divesting all liabilities and providing a written explanation acceptable to the EUB addressing the failure to respond and detailing steps to prevent future occurrences.</p> <p>Compliance achieved.</p>

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Low Risk Enforcement Action – Global REFER Summary⁴

#	Licensee	EUB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Location/Area	EUB Action(s) and Licensee Follow-up
2	Saguaro Energy Corp.	Corporate Compliance/ Noncompliance with Liability Management Program Requirements	Failure to pay security deposit.	November 29, 2007	03/07-04-001-11W4/3 County of Warner	Global Refer Status. Issuance of Closure Order: C 1098 Suspension of well licence. Licensee required to pay the security deposit and provide a written explanation acceptable to the EUB addressing the failure to respond and detailing steps to prevent future occurrences. Saguaro Energy Corp. failed to comply. Abandonment Order No. AD 2008-1 subsequently issued. EUB proceeding to abandon Saguaro Energy Corp.'s 03/07-04- 001-11W4/3 well.

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Low Risk Enforcement Action – Global REFER Summary⁴

#	Licensee	EUB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Location/Area	EUB Action(s) and Licensee Follow-up
3	Westerra 2000 Inc.	Corporate Compliance/ Noncompliance with Liability Management Program Requirements	Failure to pay security deposit.	November 28, 2007	N/A – Against Licensee	<p>Global Refer Status.</p> <p>Issuance of Miscellaneous Order: MISC 2007-15.</p> <p>Licensee required to pay the security deposit and provide a written explanation acceptable to the EUB addressing the failure to respond and detailing steps to prevent future occurrences.</p> <p>Westerra 2000 Inc. achieved compliance by activating the status of a wellsite and facility licence, thereby reducing Westerra's liability within the LLR program, and providing a written explanation acceptable to the EUB addressing the failure to respond and detailing steps to prevent future occurrences.</p> <p>Compliance achieved.</p>

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Legislative/Regulatory Enforcement Action ⁵						
#	Licensee	EUB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Location/Area	EUB Action(s) and Licensee Follow up
1	Prince Resource Corporation	Corporate Compliance/ Corporate Status	Failure to provide care and custody of licensed properties.	November 27, 2007	11-31-054-25W4 (1 pipeline licence, 1 associated pipeline line number) Sturgeon County	Global Refer Status. Issuance of Abandonment Order: AB 2007-6. Licensee required to abandon the pipeline and explain why EUB directives were not followed and provide a written action plan that ensures Board directives will be followed in the future. Prince Resource Corporation failed to comply. Prince Resource Corporation previously declared a defaulting working interest participant in accordance with Section 70(2)(b)(iii) of the <i>Oil and Gas Conservation Act</i> . Pipeline accepted by the Orphan Well Association for purposes of abandonment.
2	Saguaro Energy Corp.	Corporate Compliance/ Petroleum and Natural Gas Rights Expiry	Failure to provide a valid entitlement to the right to produce the well.	November 29, 2007	03/07-04-001-11W4/3 County of Warner	Global Refer Status. Issuance of Abandonment Order AD 2007-5. Licensee required to abandon the well, explain how the noncompliance event occurred, and provide a written action plan outlining procedures that have been implemented internally to prevent a recurrence of a similar event and meet with the EUB to explain the noncompliance issues and the devised corrective action plan. Saguaro Energy Corp. failed to comply. EUB proceeding to abandon Saguaro Energy Corp.'s 03/07-04-001-11W4/3 well.

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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.