



# ERCB Monthly Enforcement Action Summary

June 2011

**ENERGY RESOURCES CONSERVATION BOARD**  
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High Risk Compliance Category Statistics				
ERCB	Compliance Category	June 2011		
		Initial Audits/ Inspections	Number of High Risk Noncompliances	Compliance Rate with High Risk Noncompliance
<b>Applications Branch</b>				
Facilities Applications Group Audit Section	Participant Involvement	29	1	97%
	Facilities Technical	11	2	82%
	Pipelines/Pipeline Installations Technical	12	0	100%
	Wells Technical	21	0	100%
Resources Applications Group Enforcement & Surveillance Section	Commingling	n/a	1	n/a
<b>Subtotal</b>		<b>73</b>	<b>4</b>	<b>95%</b>
<b>Field Surveillance and Operations Branch</b>				
Field Operations Group	Drilling Operations	23	2	91%
	Well Servicing	17	0	100%
	Oil Facilities	252	7	97%
	Gas Facilities	243	7	97%
	Pipelines	111	9	92%
	Drilling Waste	4	1	75%
	Well Site Inspections	977	12	99%
<b>Subtotal</b>		<b>1627</b>	<b>38</b>	<b>98%</b>
<b>Geology, Environmental Science, and Economics Branch</b>				
Reserves and Pore-Space Management Group Oil Reserves and Allowables Section	Oil Overproduction	477	2	99.6%
<b>Subtotal</b>		<b>477</b>	<b>2</b>	<b>99.6%</b>
<b>Total Audit/Inspections High Risk</b>		<b>2177</b>	<b>44</b>	<b>98%</b>

High Risk Enforcement Action (HREA) <sup>1</sup>						
#	Licensee	ERCB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Surface Location	ERCB Action(s) and Licensee Response
1	Amco Energy Ltd.	Facilities Applications/ Participant Involvement	Incomplete public and/ or industry personal consultation prior to filing the application.	June 15, 2011	07-12-049-06W4  County of Vermilion River	Licence 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	ARC Resources Ltd.	Field Operations/ Pipelines	Total disregard for CSA requirements and ERCB acts and regulations.	June 24, 2011	16-27-049-06W5  Brazeau County	Operations suspended.  Licensee conducted a successful pressure test.  Licensee provided a plan to address the noncompliance and prevent future occurrences.  Compliance achieved.
3	AvenEx Energy Corp.	Field Operations/ Oil Facilities	24-hour emergency number fails to initiate immediate action.	June 27, 2011	06-02-015-11W4  County of Newell	Operations were not suspended due to the remoteness of the location and the licensee's correction of the noncompliance within an acceptable timeframe.  Licensee updated the 24-hour emergency number.  Licensee provided a plan to address the noncompliance and prevent future occurrences.  Compliance achieved.

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High Risk Enforcement Action (HREA) <sup>1</sup>						
#	Licensee	ERCB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Surface Location	ERCB Action(s) and Licensee Response
4	AvenEx Energy Corp.	Field Operations/ Well Site Inspections	24-hour emergency number fails to initiate immediate action.	June 27, 2011	10-03-015-11W4  County of Newell	Operations were not suspended due to the remoteness of the location and licensee's correction of the noncompliance within an acceptable timeframe.  Licensee updated the 24-hour emergency number.  Licensee provided a plan to address the noncompliance and prevent future occurrences.  Compliance achieved.
5	Border Petroleum Corp.	Field Operations/ Oil Facilities	H <sub>2</sub> S emissions at facility receiving gas > 1%.	June 24, 2011	13-20-049-26W4  Leduc County	Operations suspended.  Licensee updated operating requirements and procedures.  Licensee provided a plan to address the noncompliance and prevent future occurrences.  Compliance achieved.
6	Capio Exploration Ltd.	Field Operations/ Pipelines	There is no documented monitoring or mitigation program in place and/or company is not following program.	June 22, 2011	09-30-074-08W6  County of Grande Prairie	Operations suspended.  Licensee installed a liner in the pipeline to ensure pipeline integrity.  Licensee provided a plan to address the noncompliance and prevent future occurrences.  Compliance achieved.

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High Risk Enforcement Action (HREA) <sup>1</sup>						
#	Licensee	ERCB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Surface Location	ERCB Action(s) and Licensee Response
7	Daylight Energy Ltd.	Reserves and Pore Space Management/ Oil Overproduction	Failure to retire oil overproduction.	June 30, 2011	02/16-26-048-09W5/0 (production string)  Brazeau County	Licensee to confirm in writing that the well has been shut in and will remain shut in until all overproduction is retired.  Licensee directed to develop and implement a plan to address the noncompliance and prevent future occurrences.  Compliance achieved.
8	EOG Resources Canada Inc.	Reserves and Pore Space Management/ Oil Overproduction	Failure to retire oil overproduction.	June 1, 2011	00/15-16-050-04W5/0 (production string)  Parkland County	Licensee confirmed in writing that the well has been shut in and will remain shut in until all overproduction is retired.  Licensee directed to develop and implement a plan to address the noncompliance and prevent future occurrences.  Compliance achieved.
9	Japan Canada Oil Sands Limited	Field Operations/ Drilling Waste	Site is unsuitable for the disposal option.	June 7, 2011	16-14-084-11W4  Regional Municipality of Wood Buffalo	Operations suspended.  Licensee removed all drilling waste from site.  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
10	Milestone Exploration Inc.	Resources Applications/ Commingling	Improper use of the decision tree (figure 3.3).	June 8, 2011	13-09-041-06W5  Clearwater County	<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>
11	Pace Oil & Gas Ltd.	Facilities Applications/ Facilities Technical	Failure to file a licence amendment application when required.	June 29, 2011	01-17-016-18W4  Vulcan County	<p>Licence/operations not suspended as there is no evidence of operational noncompliance.</p> <p>Licensee required to submit a plan to address the noncompliance and prevent future occurrences.</p> <p>Compliance not yet achieved.</p>
12	Provident Energy Ltd.	Field Operations/ Gas Facilities	Single-wall underground tank not tested in last 3 years.	June 20, 2011	10-08-041-01W5  Lacombe County	<p>Operations were not suspended as licensee took the tanks out of service.</p> <p>Licensee integrity tested the underground tanks.</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 (HREA) <sup>1</sup>						
#	Licensee	ERCB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Surface Location	ERCB Action(s) and Licensee Response
13	Stealth Ventures Ltd.	Field Operations/ Pipelines	<p>Discontinued pipeline. Not left in safe condition.</p> <p>Internal corrosion control. No monitoring and mitigation in corrosive environment.</p> <p>External corrosion control/cathodic surveys. No records of survey results.</p>	June 22, 2011	<p>15-10-050-06W4 13-11-048-07W4 03-36-048-06W4 08-22-048-08W4</p> <p>County of Vermilion River</p>	<p>Operations were suspended on pipelines with no active flow over the past 12 months. All other pipelines are allowed to be operational pending receipt of the requested documentation. Once received, the decision to suspend operations will be reviewed.</p> <p>Licensee updated their operating and maintenance manual.</p> <p>Licensee provided a plan to address the noncompliance and prevent future occurrences.</p> <p>Compliance achieved.</p>
14	Surge Energy Inc.	Reserves and Pore Space Management/ Oil Overproduction	Failure to retire oil overproduction.	June 1, 2011	<p>04/05-13-040-04W4/0 (production string)</p> <p>M.D. of Provost</p>	<p>Licensee confirmed in writing that the well has been shut in and will remain shut in until all overproduction is retired.</p> <p>Licensee directed to develop and implement a plan to address the noncompliance and prevent future occurrences.</p> <p>Compliance achieved.</p>

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#	Licensee	ERCB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Surface Location	ERCB Action(s) and Licensee Response
15	Tallgrass Energy Corp.	Field Operations/ Oil Facilities	Spill or release not contained/cleaned up.	June 29, 2011	06-33-038-06W4  M.D. of Provost	Operations were not suspended as the well was already shut-in.  Licensee cleaned up the spill.  Licensee put in a new production tank and installed a dike.  Licensee provided a plan to address the noncompliance and prevent future occurrences.  Compliance achieved.
16	Trilogy Resources Ltd.	Facilities Applications/ Facilities Technical	Not completing an acceptable noise impact assessment prior to application.	June 24, 2011	10-04-064-18W5 10-02-064-18W5  M.D. of Greenview	Licence not cancelled or suspended as the noncompliance was promptly corrected.  Licensee provided a plan to address the noncompliance and prevent future occurrences.  Compliance achieved.
17	Zargon Oil & Gas Ltd.	Field Operations/ Pipelines	There is no documented monitoring or mitigation program in place and/ or company is not following program.	June 30, 2011	10-01-036-11W4  County of Paintearth	Operations suspended.  Licensee will implement a chemical inhibition program.  Licensee provided a plan to address the noncompliance and prevent future occurrences.  Compliance achieved.

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High Risk Enforcement Action (Persistent Noncompliance) <sup>2</sup>						
#	Licensee	ERCB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Surface Location	ERCB Action(s) and Licensee Response
	None					

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High Risk Enforcement Action (Demonstrated Disregard) <sup>3</sup>						
#	Licensee	ERCB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Surface Location	ERCB Action(s) and Licensee Response
	None					

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High Risk Enforcement Action (Failure to Comply) <sup>4</sup>						
#	Licensee	ERCB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Surface Location	ERCB Action(s) and Licensee Response
	None					

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Low Risk Enforcement Action – (Global Refer) <sup>5</sup>						
#	Licensee	ERCB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Surface Location	ERCB Action(s) and Licensee Follow-up
1	3R Sand Limited	Liability Management/ Noncompliance with the Orphan Levy	Failure to pay 2011 Orphan Fund Levy.	June 29, 2011	N/A – Against licensee	Global Refer status.  Issuance of Miscellaneous Order No. MISC 2011-41.  Licensee required to pay the orphan fund levy plus a 20 per cent penalty and provide a written explanation acceptable to the ERCB that addresses the failure to respond and details steps to prevent future occurrences.  3R Sand Limited failed to comply. File referred to Alberta Environment as licensee is in receivership.
2	979708 Alberta Ltd.	Liability Management/ Noncompliance with the Orphan Levy	Failure to pay 2011 Orphan Fund Levy.	June 29, 2011	N/A – Against licensee	Global Refer status  Issuance of Miscellaneous Order No. MISC 2011-42.  Licensee required to pay the orphan fund levy plus a 20 per cent penalty and provide a written explanation acceptable to the ERCB that addresses the failure to respond and details steps to prevent future occurrences.  979708 Alberta Ltd. failed to comply. File referred to Alberta Environment as reclamation-only liability remains in the company.
3	Acquire Energy Inc.	Liability Management/ Noncompliance with the Orphan Levy	Failure to pay 2011 Orphan Fund Levy.	June 29, 2011	N/A – Against licensee	Global Refer status  Issuance of Miscellaneous Order No. MISC 2011-43.

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Low Risk Enforcement Action – (Global Refer) <sup>5</sup>						
#	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 orphan fund levy plus a 20 per cent penalty and provide a written explanation acceptable to the ERCB that addresses the failure to respond and details steps to prevent future occurrences.</p> <p>Acquire Energy Inc. failed to comply. Closure Order No. C 1249 was subsequently issued.</p> <p>Acquire Energy Inc. paid its 2011 Orphan Fund Levy in full plus a 20 per cent penalty and provided a written explanation to the ERCB.</p> <p>Compliance achieved.</p>
4	Apex Energy (Canada) Inc.	Liability Management/ Noncompliance with the Orphan Levy	Failure to pay 2011 Orphan Fund Levy, plus 20 per cent penalty.	June 29, 2011	N/A – Against licensee	<p>Global Refer status</p> <p>Issuance of Miscellaneous Order No. MISC 2011-45.</p> <p>Licensee required to pay the orphan fund levy plus a 20 per cent penalty and provide a written explanation acceptable to the ERCB that addresses the failure to respond and details steps to prevent future occurrences.</p> <p>Apex Energy (Canada) Inc. failed to comply. File referred to Alberta Environment as reclamation-only liability remains in the company.</p>
5	Arbour Energy Inc.	Liability Management/ Noncompliance with the Orphan Levy	Failure to pay 2011 Orphan Fund Levy, plus 20 per cent penalty.	June 29, 2011	N/A – Against licensee	<p>Global Refer status</p> <p>Issuance of Miscellaneous Order No. MISC 2011-46.</p>

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#	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 orphan fund levy plus a 20 per cent penalty and provide a written explanation acceptable to the ERCB that addresses the failure to respond and details steps to prevent future occurrences.</p> <p>Arbour Energy Inc. failed to comply. File referred to Alberta Environment as reclamation-only liability remains in the company.</p>
6	Aspen Endeavour Resources Inc.	Liability Management/ Noncompliance with the Orphan Levy	Failure to pay 2011 Orphan Fund Levy, plus 20 per cent penalty.	June 29, 2011	N/A – Against licensee	<p>Global Refer status</p> <p>Issuance of Miscellaneous Order No. MISC 2011-47.</p> <p>Licensee required to pay the orphan fund levy plus a 20 per cent penalty and provide a written explanation acceptable to the ERCB that addresses the failure to respond and details steps to prevent future occurrences.</p> <p>Aspen Endeavour Resources Inc. failed to comply. Closure Order No. C 1252 was subsequently issued.</p> <p>Aspen Endeavour Resources Inc. paid its 2011 Orphan Fund Levy in full plus a 20 per cent penalty and provided a written explanation to the ERCB.</p> <p>Compliance achieved.</p>
7	Avondale Energy Inc.	Liability Management/ Noncompliance with the	Failure to pay 2011 Orphan Fund Levy, plus	June 29, 2011	N/A – Against licensee	<p>Global Refer status</p> <p>Issuance of Miscellaneous Order</p>

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Low Risk Enforcement Action – (Global Refer) <sup>5</sup>						
#	Licensee	ERCB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Surface Location	ERCB Action(s) and Licensee Follow-up
		Orphan Levy	20 per cent penalty.			<p>No. MISC 2011-48.</p> <p>Licensee required to pay the orphan fund levy plus a 20 per cent penalty and provide a written explanation acceptable to the ERCB that addresses the failure to respond and details steps to prevent future occurrences.</p> <p>Avondale Energy Inc. failed to comply. File referred to Alberta Environment as reclamation-only liability remains in the company.</p>
8	Bearcat Explorations Ltd.	Liability Management/ Noncompliance with the Orphan Levy	Failure to pay 2011 Orphan Fund Levy plus 20 per cent penalty.	June 29, 2011	N/A – Against licensee	<p>Global Refer status</p> <p>Issuance of Miscellaneous Order No. MISC 2011-50.</p> <p>Licensee required to pay the orphan fund levy plus a 20 per cent penalty and provide a written explanation acceptable to the ERCB that addresses the failure to respond and details steps to prevent future occurrences.</p> <p>Bearcat Explorations Ltd. failed to comply. File referred to Alberta Environment as reclamation-only liability remains in the company.</p>
9	Brahma Resources Ltd.	Liability Management/ Noncompliance with the Orphan Levy	Failure to pay 2011 Orphan Fund Levy plus 20 per cent penalty.	June 29, 2011	N/A – Against licensee	<p>Global Refer status</p> <p>Issuance of Miscellaneous Order No. MISC 2011-53.</p> <p>Licensee required to pay the orphan fund levy plus a 20 per cent penalty and provide a written</p>

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Low Risk Enforcement Action – (Global Refer) <sup>5</sup>						
#	Licensee	ERCB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Surface Location	ERCB Action(s) and Licensee Follow-up
						<p>explanation acceptable to the ERCB that addresses the failure to respond and details steps to prevent future occurrences.</p> <p>Brahma Resources Ltd. paid its 2011 Orphan Fund Levy in full plus a 20 per cent penalty and provided a written explanation to the ERCB.</p> <p>Compliance achieved.</p>
10	Cascade Resources Inc.	Liability Management/ Noncompliance with the Orphan Levy	Failure to pay 2011 Orphan Fund Levy, plus 20% penalty.	June 29, 2011	N/A – Against licensee	<p>Global Refer status.</p> <p>Issuance of Miscellaneous Order No. MISC 2011-56.</p> <p>Licensee required to pay the orphan fund levy plus a 20 per cent penalty and provide a written explanation acceptable to the ERCB that addresses the failure to respond and details steps to prevent future occurrences.</p> <p>Cascade Resources Inc. failed to comply. Closure Order No. C 1254 was subsequently issued.</p> <p>Cascade Resources Inc. paid its 2011 Orphan Fund Levy in full plus a 20 per cent penalty and provided a written explanation to the ERCB.</p> <p>Compliance achieved.</p>
11	County Line Energy (Canada) Inc.	Liability Management/ Noncompliance with the Orphan Levy	Failure to pay 2011 Orphan Fund Levy plus 20 per cent penalty.	June 29, 2011	N/A – Against licensee	<p>Global Refer status.</p> <p>Issuance of Miscellaneous Order No. MISC 2011-57.</p>

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Low Risk Enforcement Action – (Global Refer) <sup>5</sup>						
#	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 orphan fund levy plus a 20 per cent penalty and provide a written explanation acceptable to the ERCB that addresses the failure to respond and details steps to prevent future occurrences.</p> <p>County Line Energy (Canada) Inc. paid its 2011 Orphan Fund Levy in full plus a 20 per cent penalty and provided a written explanation to the ERCB.</p> <p>Compliance achieved.</p>
12	E E C L Resources Ltd.	Liability Management/ Noncompliance with the Orphan Levy	Failure to pay 2011 Orphan Fund Levy plus 20 per cent penalty.	June 29, 2011	N/A – Against licensee	<p>Global Refer status.</p> <p>Issuance of Miscellaneous Order No. MISC 2011-58.</p> <p>Licensee required to pay the orphan fund levy plus a 20 per cent penalty and provide a written explanation acceptable to the ERCB that addresses the failure to respond and details steps to prevent future occurrences.</p> <p>E E C L Resources Ltd. failed to comply. File referred to Alberta Environment as reclamation-only liability remains in the company.</p>
13	Enerhance Resources Inc.	Liability Management/ Noncompliance with the Orphan Levy	Failure to pay 2011 Orphan Fund Levy plus 20 per cent penalty.	June 29, 2011	N/A – Against licensee	<p>Global Refer status.</p> <p>Issuance of Miscellaneous Order No. MISC 2011-59.</p> <p>Licensee required to pay the orphan fund levy plus a 20 per cent</p>

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Low Risk Enforcement Action – (Global Refer) <sup>5</sup>						
#	Licensee	ERCB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Surface Location	ERCB Action(s) and Licensee Follow-up
						penalty and provide a written explanation acceptable to the ERCB that addresses the failure to respond and details steps to prevent future occurrences.  Enerhance Resources Inc. failed to comply. File referred to Alberta Environment as reclamation-only liability remains in the company.
14	Enquest Environmental Services Corp.	Liability Management/ Noncompliance with the Orphan Levy	Failure to pay 2011 Orphan Fund Levy plus 20 per cent penalty.	June 29, 2011	N/A – Against licensee	Global Refer status.  Issuance of Miscellaneous Order No. MISC 2011-60.  Licensee required to pay the orphan fund levy plus a 20 per cent penalty and provide a written explanation acceptable to the ERCB that addresses the failure to respond and details steps to prevent future occurrences.  Enquest Environmental Services Corp. failed to comply. File referred to Alberta Environment as reclamation-only liability remains in the company.
15	Frontier Energy Inc.	Liability Management/ Noncompliance with the Orphan Levy	Failure to pay 2011 Orphan Fund Levy plus 20 per cent penalty.	June 29, 2011	N/A – Against licensee	Global Refer status.  Issuance of Miscellaneous Order No. MISC 2011-61.  Licensee required to pay the orphan fund levy plus a 20 per cent penalty and provide a written explanation acceptable to the ERCB that addresses the failure to respond and details steps to

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Low Risk Enforcement Action – (Global Refer) <sup>5</sup>						
#	Licensee	ERCB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Surface Location	ERCB Action(s) and Licensee Follow-up
						<p>prevent future occurrences.</p> <p>Frontier Energy Inc. failed to comply. Closure Order No. C 1256, Abandonment Orders No. AD 2011-63, AD 2011-64, AD 2011-65 and Closure/Abandonment Order No. AD 2011-66 were subsequently issued.</p> <p>The abandonment orders and closure/abandonment order have not been breached and remain outstanding.</p>
16	G.N.E. Exploration Ltd.	Liability Management/ Noncompliance with the Orphan Levy	Failure to pay 2011 Orphan Fund Levy, plus 20 per cent penalty.	June 29, 2011	N/A – Against licensee	<p>Global Refer status.</p> <p>Issuance of Miscellaneous Order No. MISC 2011-62.</p> <p>Licensee required to pay the orphan fund levy plus a 20 per cent penalty and provide a written explanation acceptable to the ERCB that addresses the failure to respond and details steps to prevent future occurrences.</p> <p>G.N.E. Exploration Ltd. failed to comply. File referred to Alberta Environment as reclamation-only liability remains in the company.</p>
17	Geo. B. Ross Holdings Ltd.	Liability Management/ Noncompliance with the Orphan Levy	Failure to pay 2011 Orphan Fund Levy plus 20 per cent penalty.	June 29, 2011	N/A – Against licensee	<p>Global Refer status.</p> <p>Issuance of Miscellaneous Order No. MISC 2011-63.</p> <p>Licensee required to pay the orphan fund levy plus a 20 per cent penalty and provide a written</p>

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#	Licensee	ERCB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Surface Location	ERCB Action(s) and Licensee Follow-up
						<p>explanation acceptable to the ERCB that addresses the failure to respond and details steps to prevent future occurrences.</p> <p>Geo. B. Ross Holdings paid its 2011 Orphan Fund Levy in full plus a 20 per cent penalty, and provided a written explanation to the ERCB.</p> <p>Compliance achieved.</p>
18	Goldenrod Resources Inc.	Liability Management/ Noncompliance with the Orphan Levy	Failure to pay 2011 Orphan Fund Levy plus 20 per cent penalty.	June 29, 2011	N/A – Against licensee	<p>Global Refer status.</p> <p>Issuance of Miscellaneous Order No. MISC 2011-64.</p> <p>Licensee required to pay the orphan fund levy plus a 20 per cent penalty and provide a written explanation acceptable to the ERCB that addresses the failure to respond and details steps to prevent future occurrences.</p> <p>Goldenrod Resources Inc. failed to comply. Closure Orders No. C 1255 and C 1257, Abandonment Orders No. AD 2011-67, AD 2011-68, AD 2011-69, AD 2011-70, AD 2011-71 and Closure/Abandonment Order No. AD 2011-72 were subsequently issued.</p> <p>Amended Abandonment Order No. AD 2011-69A was subsequently issued, has not been breached, and remains outstanding. The ERCB is evaluating further actions.</p>

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Low Risk Enforcement Action – (Global Refer) <sup>5</sup>						
#	Licensee	ERCB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Surface Location	ERCB Action(s) and Licensee Follow-up
19	Greenhorns Energy Inc.	Liability Management/ Noncompliance with the Orphan Levy	Failure to pay 2011 Orphan Fund Levy plus 20 per cent penalty.	June 29, 2011	N/A – Against licensee	<p>Global Refer status</p> <p>Issuance of Miscellaneous Order No. MISC 2011-65.</p> <p>Licensee required to pay the orphan fund levy plus a 20 per cent penalty and provide a written explanation acceptable to the ERCB that addresses the failure to respond and details steps to prevent future occurrences.</p> <p>Greenhorns Energy Inc. failed to comply. File referred to Alberta Environment as reclamation-only liability remains in the company.</p>
20	Ignition Energy Ltd.	Liability Management/ Noncompliance with the Orphan Levy	Failure to pay 2011 Orphan Fund Levy plus 20 per cent penalty.	June 29, 2011	N/A – Against licensee	<p>Global Refer status</p> <p>Issuance of Miscellaneous Order No. MISC 2011-66.</p> <p>Licensee required to pay the orphan fund levy plus a 20 per cent penalty and provide a written explanation acceptable to the ERCB that addresses the failure to respond and details steps to prevent future occurrences.</p> <p>Ignition Energy Ltd. failed to comply. Closure Orders No. C 1258 and C 1259 were subsequently issued.</p> <p>Ignition Energy Ltd. submitted full payment of its 2011 Orphan Fund Levy plus a 20 per cent penalty, and provided a written explanation to the ERCB.</p> <p>Compliance achieved.</p>

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Low Risk Enforcement Action – (Global Refer) <sup>5</sup>						
#	Licensee	ERCB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Surface Location	ERCB Action(s) and Licensee Follow-up
21	Jordan Energy Inc.	Liability Management/ Noncompliance with the Orphan Levy	Failure to pay 2011 Orphan Fund Levy plus 20 per cent penalty.	June 29, 2011	N/A – Against licensee	<p>Global Refer status</p> <p>Issuance of Miscellaneous Order No. MISC 2011-67.</p> <p>Licensee required to pay the orphan fund levy plus a 20 per cent penalty and provide a written explanation acceptable to the ERCB that addresses the failure to respond and details steps to prevent future occurrences.</p> <p>Jordan Energy Inc. failed to comply. Closure/Abandonment Orders No. AD 2011-39 and AD 2011-40 were subsequently issued.</p> <p>The ERCB is abandoning Jordan Energy Inc.'s properties and will pursue Jordan Energy Inc. for the abandonment costs.</p>
22	Lindbergh Environmental Services Inc.	Liability Management/ Noncompliance with the Orphan Levy	Failure to pay 2011 Orphan Fund Levy plus 20 per cent penalty.	June 29, 2011	N/A – Against licensee	<p>Global Refer status.</p> <p>Issuance of Miscellaneous Order No. MISC 2011-68.</p> <p>Licensee required to pay the orphan fund levy plus a 20 per cent penalty and provide a written explanation acceptable to the ERCB that addresses the failure to respond and details steps to prevent future occurrences.</p> <p>Lindbergh Environmental Services Inc. 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) <sup>5</sup>						
#	Licensee	ERCB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Surface Location	ERCB Action(s) and Licensee Follow-up
23	Magnus Energy Inc.	Liability Management/ Noncompliance with the Orphan Levy	Failure to pay 2011 Orphan Fund Levy plus 20 per cent penalty.	June 29, 2011	N/A – Against licensee	Global Refer status  Issuance of Miscellaneous Order No. MISC 2011-15.  Licensee required to pay the orphan fund levy plus a 20 per cent penalty and provide a written explanation acceptable to the ERCB that addresses the failure to respond and details steps to prevent future occurrences.  Magnus Energy Inc. failed to comply. File referred to Alberta Environment as licensee is in receivership.
24	Magnus One Energy Corp.	Liability Management/ Noncompliance with the Orphan Levy	Failure to pay 2011 Orphan Fund Levy plus 20 per cent penalty.	June 29, 2011	N/A – Against licensee	Global Refer status  Issuance of Miscellaneous Order No. MISC 2011-16.  Licensee required to pay the orphan fund levy plus a 20 per cent penalty and provide a written explanation acceptable to the ERCB that addresses the failure to respond and details steps to prevent future occurrences.  Magnus One Energy Corp. failed to comply. File referred to Alberta Environment as licensee is in receivership.
25	Maverick Resources Ltd.	Liability Management/ Noncompliance with the Orphan Levy	Failure to pay 2011 Orphan Fund Levy plus 20 per cent penalty.	June 29, 2011	N/A – Against licensee	Global Refer status  Issuance of Miscellaneous Order No. MISC 2011-17.

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Low Risk Enforcement Action – (Global Refer) <sup>5</sup>						
#	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 orphan fund levy plus a 20 per cent penalty and provide a written explanation acceptable to the ERCB that addresses the failure to respond and details steps to prevent future occurrences.</p> <p>Maverick Resoures Ltd. paid its 2011 Orphan Fund Levy in full plus a 20 per cent penalty and provided a written explanation to the ERCB.</p> <p>Compliance achieved.</p>
26	Monarch Energy Limited	Liability Management/ Noncompliance with the Orphan Levy	Failure to pay 2011 Orphan Fund Levy, plus 20 per cent penalty.	June 29, 2011	N/A – Against licensee	<p>Global Refer status</p> <p>Issuance of Miscellaneous Order No. MISC 2011-18.</p> <p>Licensee required to pay the orphan fund levy plus a 20 per cent penalty and provide a written explanation acceptable to the ERCB that addresses the failure to respond and details steps to prevent future occurrences.</p> <p>Monarch Energy Limited submitted full payment of its 2011 Orphan Fund Levy plus a 20 per cent penalty and provided a written explanation to the ERCB.</p> <p>Compliance achieved.</p>
27	Norlake Energy Corp.	Liability Management/ Noncompliance with the Orphan Levy	Failure to pay 2011 Orphan Fund Levy plus 20 per cent penalty.	June 29, 2011	N/A – Against licensee	<p>Global Refer status</p> <p>Issuance of Miscellaneous Order No. MISC 2011-19.</p>

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Low Risk Enforcement Action – (Global Refer) <sup>5</sup>						
#	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 orphan fund levy plus a 20 per cent penalty and provide a written explanation acceptable to the ERCB that addresses the failure to respond and details steps to prevent future occurrences.</p> <p>Norlake Energy Corp. failed to comply. File referred to Alberta Environment as reclamation-only liability remains in the company.</p>
28	Norwegian Petroleum Inc.	Liability Management/ Noncompliance with the Orphan Levy	Failure to pay 2011 Orphan Fund Levy plus 20 per cent penalty.	June 29, 2011	N/A – Against licensee	<p>Global Refer status</p> <p>Issuance of Miscellaneous Order No. MISC 2011-20.</p> <p>Issuance of Closure Order No. C 1261.</p> <p>Licensee required to pay the orphan fund levy plus a 20 per cent penalty and provide a written explanation acceptable to the ERCB that addresses the failure to respond and details steps to prevent future occurrences.</p> <p>Norwegian Petroleum Inc. failed to comply. Closure Order No. C 1261 was subsequently issued.</p> <p>Norwegian Petroleum Inc. paid its 2011 Orphan Fund Levy in full, plus 20 per cent penalty and provided a written explanation to the ERCB.</p> <p>Compliance achieved.</p>

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Low Risk Enforcement Action – (Global Refer) <sup>5</sup>						
#	Licensee	ERCB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Surface Location	ERCB Action(s) and Licensee Follow-up
29	Ortynsky Exploration Limited	Liability Management/ Noncompliance with the Orphan Levy	Failure to pay 2011 Orphan Fund Levy plus 20 per cent penalty.	June 29, 2011	N/A – Against licensee	<p>Global Refer status</p> <p>Issuance of Miscellaneous Order No. MISC 2011-21.</p> <p>Licensee required to pay the orphan fund levy plus a 20 per cent penalty and provide a written explanation acceptable to the ERCB that addresses the failure to respond and details 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>
30	Petromin Resources Ltd.	Liability Management/ Noncompliance with the Orphan Levy	Failure to pay 2011 Orphan Fund Levy plus 20 per cent penalty.	June 29, 2011	N/A – Against licensee	<p>Global Refer status.</p> <p>Issuance of Miscellaneous Order No. MISC 2011-23.</p> <p>Licensee paid the orphan fund levy plus a 20 per cent penalty and provided a written explanation acceptable to the ERCB that addresses the failure to respond and details steps to prevent future occurrences.</p> <p>Petromin Resources Ltd. failed to comply. Closure Order No. C 1262 was subsequently issued.</p> <p>Petromin Resources Ltd. paid its 2011 Orphan Fund Levy in full plus a 20 per cent penalty and provided a written explanation to the ERCB.</p> <p>Compliance achieved.</p>

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Low Risk Enforcement Action – (Global Refer) <sup>5</sup>						
#	Licensee	ERCB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Surface Location	ERCB Action(s) and Licensee Follow-up
31	PetroReal Energy Inc.	Liability Management/ Noncompliance with the Orphan Levy	Failure to pay 2011 Orphan Fund Levy plus 20 per cent penalty.	June 29, 2011	N/A – Against licensee	<p>Global Refer status</p> <p>Issuance of Miscellaneous Order No. MISC 2011-24.</p> <p>Licensee required to pay the orphan fund levy in full plus a 20 per cent penalty and provide a written explanation acceptable to the ERCB that addresses the failure to respond and details steps to prevent future occurrences.</p> <p>PetroReal Energy Inc. transferred out all of its licences. The ERCB is evaluating further actions.</p>
32	Redeye Energy Limited	Liability Management/ Noncompliance with the Orphan Levy	Failure to pay 2011 Orphan Fund Levy plus 20 per cent penalty.	June 29, 2011	N/A – Against licensee	<p>Global Refer status.</p> <p>Issuance of Miscellaneous Order No. MISC 2011-25.</p> <p>Licensee required to pay the orphan fund levy plus a 20 per cent penalty and provide a written explanation acceptable to the ERCB that addresses the failure to respond and details steps to prevent future occurrences.</p> <p>Redeye Energy Limited failed to comply. Closure/Abandonment Order No. AD 2011-41 was subsequently issued.</p> <p>Redeye Energy submitted paid its 2011 Orphan Fund Levy in full plus a 20 per cent penalty and provided a written explanation to the ERCB.</p> <p>Compliance achieved.</p>

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Low Risk Enforcement Action – (Global Refer) <sup>5</sup>						
#	Licensee	ERCB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Surface Location	ERCB Action(s) and Licensee Follow-up
33	Redeye Energy Limited	Liability Management/ Noncompliance with Liability Management Program Requirements	Failure to pay security deposit.	June 16, 2011	08-02-011-15W4  M.D. of Taber	Global Refer status.  Issuance of Closure Order No. C 1247.  Licensee required to pay the security deposit and provide a written explanation acceptable to the ERCB that addresses the failure to respond and details steps to prevent future occurrences.  Redeye Energy Limited submitted full payment of its security deposit, and provided a written explanation to the ERCB.  Compliance achieved.
34	Ridgeway Petroleum Corp.	Liability Management/ Noncompliance with the Orphan Levy	Failure to pay 2011 Orphan Fund Levy plus 20 per cent penalty.	June 29, 2011	N/A – Against licensee	Global Refer status.  Issuance of Miscellaneous Order No. MISC 2011-26.  Licensee required to pay the orphan fund levy plus a 20 per cent penalty and provide a written explanation acceptable to the ERCB that addresses the failure to respond and details steps to prevent future occurrences.  Ridgeway Petroleum Corp. failed to comply. File referred to Alberta Environment as reclamation-only liability remains in the company.
35	Saba Energy Inc.	Liability Management/ Noncompliance with the Orphan Levy	Failure to pay 2011 Orphan Fund Levy plus 20 per cent penalty.	June 29, 2011	N/A – Against licensee	Global Refer status.  Issuance of Miscellaneous Order No. MISC 2011-27.

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Low Risk Enforcement Action – (Global Refer) <sup>5</sup>						
#	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 orphan fund levy plus a 20 per cent penalty and provide a written explanation acceptable to the ERCB that addresses the failure to respond and details steps to prevent future occurrences.</p> <p>Saba Energy Inc. failed to comply. File referred to Alberta Environment as reclamation-only liability remains in the company.</p>
36	Saba Energy Ltd.	Liability Management/ Noncompliance with the Orphan Levy	Failure to pay 2011 Orphan Fund Levy plus 20 per cent penalty.	June 29, 2011	N/A – Against licensee	<p>Global Refer status.</p> <p>Issuance of Miscellaneous Order No. MISC 2011-28.</p> <p>Licensee required to pay the orphan fund levy plus a 20 per cent penalty and provide a written explanation acceptable to the ERCB that addresses the failure to respond and details steps to prevent future occurrences.</p> <p>Saba Energy Ltd. failed to comply. File referred to Alberta Environment as reclamation-only liability remains in the company.</p>
37	Saguaro Energy Corp.	Liability Management/ Noncompliance with the Orphan Levy	Failure to pay 2011 Orphan Fund Levy plus 20 per cent penalty.	June 29, 2011	N/A – Against licensee	<p>Global Refer status.</p> <p>Issuance of Miscellaneous Order No. MISC 2011-30.</p> <p>Licensee required to pay the orphan fund levy plus a 20 per cent penalty and provide a written explanation acceptable to the ERCB that addresses the failure to</p>

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Low Risk Enforcement Action – (Global Refer) <sup>5</sup>						
#	Licensee	ERCB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Surface Location	ERCB Action(s) and Licensee Follow-up
						<p>respond and details 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>
38	Saphonyx Energy Inc.	Liability Management/ Noncompliance with the Orphan Levy	Failure to pay 2011 Orphan Fund Levy plus 20 per cent penalty.	June 29, 2011	N/A – Against licensee	<p>Global Refer status.</p> <p>Issuance of Miscellaneous Order No. MISC 2011-31.</p> <p>Licensee required to pay the orphan fund levy plus a 20 per cent penalty and provide a written explanation acceptable to the ERCB that addresses the failure to respond and details steps to prevent future occurrences.</p> <p>Saphonyx Energy Inc. failed to comply. Closure/Abandonment Orders No. AD 2011-42 and AD 2011-43 were subsequently issued.</p> <p>Saphonyx Energy Inc. failed to comply. The ERCB is abandoning Saphonyx Energy Inc.'s properties and will pursue Saphonyx Energy Inc. for the abandonment costs.</p>
39	Shunda Energy Corporation	Liability Management/ Noncompliance with the Orphan Levy	Failure to pay 2011 Orphan Fund Levy plus 20 per cent penalty.	June 29, 2011	N/A – Against licensee	<p>Global Refer status.</p> <p>Issuance of Miscellaneous Order No. MISC 2011-32.</p> <p>Licensee required to pay the orphan fund levy plus a 20 per cent penalty and provide a written explanation acceptable to the</p>

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Low Risk Enforcement Action – (Global Refer) <sup>5</sup>						
#	Licensee	ERCB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Surface Location	ERCB Action(s) and Licensee Follow-up
						<p>ERCB that addresses the failure to respond and details steps to prevent future occurrences.</p> <p>Shunda Energy Corporation failed to comply. File referred to Alberta Environment as reclamation-only liability remains in the company.</p>
40	Slate Energy Inc.	Liability Management/ Noncompliance with the Orphan Levy	Failure to pay 2011 Orphan Fund Levy plus 20 per cent penalty.	June 29, 2011	N/A – Against licensee	<p>Global Refer status.</p> <p>Issuance of Miscellaneous Order No. MISC 2011-33.</p> <p>Licensee required to pay the orphan fund levy plus a 20 per cent penalty and provide a written explanation acceptable to the ERCB that addresses the failure to respond and details steps to prevent future occurrences.</p> <p>Slate Energy Inc. failed to comply. Closure/Abandonment Orders No. AD 2011-44, AD 2011-45, and AD 2011-46 were subsequently issued.</p> <p>Slate Energy Inc. failed to comply. The ERCB is evaluating further actions.</p>
41	Stonewater Resources Inc.	Liability Management/ Noncompliance with the Orphan Levy	Failure to pay 2011 Orphan Fund Levy plus 20 per cent penalty.	June 29, 2011	N/A – Against licensee	<p>Global Refer status.</p> <p>Issuance of Miscellaneous Order No. MISC 2011-35.</p> <p>Licensee required to pay the orphan fund levy plus a 20 per cent penalty and provide a written explanation acceptable to the ERCB that addresses the failure to</p>

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Low Risk Enforcement Action – (Global Refer) <sup>5</sup>						
#	Licensee	ERCB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Surface Location	ERCB Action(s) and Licensee Follow-up
						<p>respond and details steps to prevent future occurrences.</p> <p>Stonewater Resources Inc. paid its security deposit in full and provided a written explanation to the ERCB.</p> <p>Compliance achieved.</p>
42	Tobago Management Ltd.	Liability Management/ Noncompliance with the Orphan Levy	Failure to pay 2011 Orphan Fund Levy plus 20 per cent penalty.	June 29, 2011	N/A – Against licensee	<p>Global Refer status.</p> <p>Issuance of Miscellaneous Order No. MISC 2011-36.</p> <p>Licensee required to pay the orphan fund levy plus a 20 per cent penalty and provide a written explanation acceptable to the ERCB that addresses the failure to respond and details steps to prevent future occurrences.</p> <p>Tobago Management Ltd. failed to comply. File referred to Alberta Environment as reclamation-only liability remains in the company.</p>
43	Usg Energy Corp.	Liability Management/ Noncompliance with the Orphan Levy	Failure to pay 2011 Orphan Fund Levy, plus 20 per cent penalty.	June 29, 2011	N/A – Against licensee	<p>Global Refer status.</p> <p>Issuance of Miscellaneous Order No. MISC 2011-37.</p> <p>Licensee required to pay the orphan fund levy plus a 20 per cent penalty and provide a written explanation acceptable to the ERCB that addresses the failure to respond and details steps to prevent future occurrences.</p> <p>Usg Alberta Corp. paid its security</p>

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Low Risk Enforcement Action – (Global Refer) <sup>5</sup>						
#	Licensee	ERCB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Surface Location	ERCB Action(s) and Licensee Follow-up
						deposit in full and provided a written explanation to the ERCB.  Compliance achieved.
44	Verdx Minerals Corporation	Liability Management/ Noncompliance with the Orphan Levy	Failure to pay 2011 Orphan Fund Levy plus 20 per cent penalty.	June 29, 2011	N/A – Against licensee	Global Refer status.  Issuance of Miscellaneous Order No. MISC 2011-38.  Licensee required to pay the orphan fund levy plus a 20 per cent penalty and provide a written explanation acceptable to the ERCB that addresses the failure to respond and details steps to prevent future occurrences.  Verdx Minerals Corporation failed to comply. File referred to Alberta Environment as reclamation-only liability remains in the company.
45	West Pacific Petroleum Inc.	Liability Management/ Noncompliance with the Orphan Levy	Failure to pay 2011 Orphan Fund Levy plus 20 per cent penalty.	June 29, 2011	N/A – Against licensee	Global Refer status.  Issuance of Miscellaneous Order No. MISC 2011-39.  Licensee required to pay the orphan fund levy plus a 20 per cent penalty and provide a written explanation acceptable to the ERCB that addresses the failure to respond and details steps to prevent future occurrences.  West Pacific Petroleum Inc. failed to comply. Closure Order No. C 1253, Abandonment Order No. AD 2011-58, and Closure/Abandonment Order No.

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Low Risk Enforcement Action – (Global Refer) <sup>5</sup>						
#	Licensee	ERCB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Surface Location	ERCB Action(s) and Licensee Follow-up
						AD 2011-59 were subsequently issued.  West Pacific Petroleum Inc. paid its security deposit in full and provided a written explanation to the ERCB.  Compliance achieved.
46	XGEN Ventures Inc.	Liability Management/ Noncompliance with the Orphan Levy	Failure to pay 2011 Orphan Fund Levy plus 20 per cent penalty.	June 29, 2011	N/A – Against licensee	Global Refer status  Issuance of Miscellaneous Order No. MISC 2011-40.  Licensee required to pay the orphan fund levy plus a 20 per cent penalty and provide a written explanation acceptable to the ERCB that addresses the failure to respond and details steps to prevent future occurrences.  XGEN Ventures Inc. failed to comply. Closure/Abandonment Orders No. AD 2011-48, AD 2011-49, AD 2011-50, and AD 2011-51 were subsequently issued.  Amended Closure/Abandonment Orders AD 2011-48A, AD 2011-49A, AD 2011-50A, and AD 2011-51A were subsequently issued giving the working interest participant the necessary time to abandon the properties.

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Legislative/Regulatory Enforcement Action <sup>6</sup>						
#	Licensee	ERCB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Surface Location	ERCB Action(s) and Licensee Follow up
1	Avondale Energy Inc.	Liability Management/ Field Operations	24-hour emergency number fails to initiate immediate action.	June 15, 2011	16-36-034-27W4  Red Deer County	Global Refer status.  Licensee failed to comply. Enforcement action escalated.  Issuance of Closure/Abandonment Order No. AD 2011-33.  Suspension and abandonment of well licence.  Licensee required to confirm that its 24-hour emergency number is active, submit confirmation to ERCB when the noncompliance has been corrected, provide a written explanation acceptable to the ERCB that addresses the failure to respond and details steps to prevent future occurrences, and meet with ERCB.  Avondale Energy Inc. failed to comply. The ERCB is evaluating further options.
2	Goldenrod Resources Inc.	Liability Management/ Corporate Status	Failure to be registered with an Active status.	June 28, 2011	Facility licence: 06-22-041-26W4 Lacombe County  Well licences: 09-20-041-26W4 06-22-041-26W4 08-16-041-26W4 14-21-041-25W4 Lacombe County  10-02-065-20W5 County of Athabasca	Global Refer status.  Issuance of Closure Orders No. C 1250 and C 1251.  Suspension and closure of well and facility licences.  Licensee required to either transfer the subject wells and facility, abandon the subject wells and facility, or submit confirmation to the ERCB that the company is registered with and has an active status on the Alberta Corporate

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Legislative/Regulatory Enforcement Action <sup>6</sup>						
#	Licensee	ERCB Group/ Compliance Category	Noncompliance Event	Date of Enforcement	Surface Location	ERCB Action(s) and Licensee Follow up
						<p>Registries.</p> <p>Goldenrod Resources Inc. failed to comply. Abandonment Orders No. AD 2011-52, AD 2011-53, AD 2011-54, 2011-55, AD 2011-56 and Closure/Abandonment Order No. AD 2011-57 were subsequently issued.</p> <p>Amended Abandonment Order No. AD 2011-54A was issued and remains outstanding. The ERCB is evaluating further actions.</p>
3	Triaxon Energy Inc.	Liability Management/ Corporate Status	Failure to be registered with an Active status.	June 28, 2011	<p>Facility licences: 12-22-049-26W4 03-08-050-27W4</p> <p>Leduc County</p>	<p>Global Refer status.</p> <p>Issuance of Closure Order No. C 1248.</p> <p>Suspension and closure of facility licences.</p> <p>Licensee required to either transfer the subject facilities, abandon the facilities, or submit confirmation to the ERCB that the company is registered with and has an active status on Alberta Corporate Registries.</p> <p>Triaxon Energy Inc. failed to comply. The ERCB is evaluating further actions.</p>

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## Endnotes

### <sup>1</sup> **Directive 019—High Risk Enforcement Action (HREA)**

In accordance with *Directive 019: ERCB Compliance Assurance*, the ERCB initiates an HREA against a licensee if it identifies a high risk noncompliant event(s). To address an HREA, the licensee must: immediately correct and address the high risk noncompliant event(s) identified by the ERCB; if necessary, suspend operations, either partially or fully and when safe to do so, to remove the existing or potential impact or hazard resulting in the noncompliance (any suspension of operations must not occur if it will increase the impact or risk to either the public or the environment; compliance must be achieved prior to start-up); develop and implement a written action plan within 60 calendar days or in the time specified by the ERCB group (a licensee may also be required to submit the written action plan and meet with the ERCB group to discuss both the action plan and the licensee's compliance history); and notify the ERCB group that it has corrected and addressed the high risk noncompliance. The ERCB may also apply or require one or more of the following: noncompliance fees; self-audit or inspections; increased audits or inspections; partial or full suspension of operations (until the licensee corrects/addressed the noncompliance); suspension and/or cancellation of the permit, licence, or approval.

### <sup>2</sup> **Directive 019—High Risk Enforcement Action (HREA) (Persistent Noncompliance)**

In accordance with *Directive 019: ERCB Compliance Assurance*, the ERCB initiates an HREA (Persistent Noncompliance) against a licensee with an unacceptable rate, ratio, percentage or number of noncompliant events, either in the same or in different compliance categories. To address an HREA (Persistent Noncompliance), the licensee must: immediately correct and address the high risk noncompliant event(s) identified by the ERCB; if necessary, suspend operations, either partially or fully and when safe to do so, to remove the existing or potential impact or hazard resulting in the noncompliance (any suspension of operations must not occur if it will increase the impact or risk to either the public or the environment; compliance must be achieved prior to start-up); develop, implement, and submit a written action plan within 30 calendar days or in the time specified by the ERCB group (the action plan should address the root causes of any previous noncompliance(s) and detail how the licensee will prevent future noncompliant events); meet with the ERCB group to discuss the high risk noncompliant event(s), the licensee's compliance history, and the written action plan; and notify the ERCB group that it has corrected and addressed the high risk noncompliance(s). The ERCB may also apply or require one or more of the following: noncompliance fees; self-audit or inspections; increased audits or inspections; partial or full suspension of operations (until the licensee corrects and addresses the noncompliance(s)); suspension and/or cancellation of the permit, licence, or approval.

A licensee must operate in compliance for a period of 60 calendar days (or in a time specified by the ERCB) in the same compliance category before achieving overall compliance.

### <sup>3</sup> **Directive 019—High Risk Enforcement Action (HREA) (Demonstrated Disregard)**

In accordance with *Directive 019: ERCB Compliance Assurance*, the ERCB initiates an HREA (Demonstrated Disregard) against a licensee if the licensee knows or should know about a high risk noncompliant event(s) but does not act to correct and address the noncompliance(s). The ERCB assesses demonstrated disregard on a case-by-case basis. To address an HREA (Demonstrated Disregard), the licensee must: immediately correct and address the high risk noncompliant event(s) identified by the ERCB; if necessary, suspend operations, either partially or fully and when safe to do so, to remove the existing or potential impact/hazard resulting in the noncompliance(s) (any suspension of operations must not occur if it will increase impact or risk to either the public or the environment; compliance must be achieved prior to start-up); develop, implement, and submit a written action plan (the action plan should address the root cause(s) of the noncompliant event(s) and detail how the licensee will prevent future noncompliant events); meet with the ERCB group to discuss the high risk noncompliant event(s), the licensee's compliance history, and the written action plan; and notify the ERCB group that it has corrected and addressed the high risk noncompliance(s). The ERCB may also apply or require one or more of the following: noncompliance fees; self-audit or inspections; increased audits or inspections; partial or full suspension of operations (until the licensee corrects and addresses the noncompliance(s)); suspension and/or cancellation of the permit, licence, or approval; issuance of an Order (Miscellaneous, Closure, or Abandonment); "Refer" status (focused or global).

A licensee must operate in compliance for a period of 180 calendar days (or in the time specified by the ERCB) in the same compliance category before achieving overall compliance.

### <sup>4</sup> **Directive 019—High Risk Enforcement Action (HREA) (Failure to Comply)**

In accordance with *Directive 019: ERCB Compliance Assurance*, the ERCB initiates an HREA (Failure to Comply) against a licensee if it failed to comply with the direction of the ERCB in an ERCB Notice of High Risk Noncompliance, HREA, HREA (Persistent Noncompliance), HREA (Demonstrated Disregard), or a previous HREA (Failure to Comply). To address an HREA (Failure to Comply), the licensee must: immediately correct and address the high risk noncompliant event(s) identified by the ERCB; if necessary, suspend operations, either partially or fully and when safe to do so, to remove the existing or potential impact or hazard resulting in the noncompliance(s) (any suspension of operations must not occur if it will increase the impact or risk to the public or the environment; compliance must be achieved prior to start-up); develop, implement, and submit a written action plan (the action plan should address the root cause(s) of the noncompliant event(s) and detail how the licensee will prevent future noncompliant events); meet with the ERCB group to discuss the high risk noncompliant event(s), the licensee's compliance history, and the written action plan; and notify the ERCB group that it has corrected and addressed the high risk noncompliance(s). The ERCB may also apply or require one or more of the following: noncompliance fees; self-audit or inspections; increased audits or inspections; partial or full suspension of operations (until the licensee corrects and addresses the noncompliance); suspension and/or cancellation of permit, licensee, or approval; issuance of an Order (Miscellaneous, Closure, or Abandonment); "Refer" status (focused or global).

A licensee must operate in compliance for a period of 180 calendar days (or in the time specified by the ERCB) in the same compliance category before achieving overall compliance.



<sup>5</sup> **Directive 019—Low Risk Enforcement Action (LREA) (Global Refer)** In accordance with *Directive 019: ERCB Compliance Assurance*, the ERCB initiates an LREA (Global Refer) against a licensee who failed to comply with the direction of the ERCB in a Notice of Low Risk Noncompliance. To address an LREA, the licensee must: immediately correct and address the low risk noncompliant event(s) identified by the ERCB; notify the ERCB group that it has addressed the low risk noncompliant event(s); and develop, implement, and submit written action plan within 30 calendar days or in the time specified by the ERCB group; and meet with the ERCB group to discuss the low risk noncompliant event(s), the licensee's compliance history, or the written action plan. The ERCB may also apply or require one or more of the following: noncompliance fees, 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).

<sup>6</sup> **Legislative/Regulatory Enforcement Action**

The ERCB initiates a Legislative/Regulatory Enforcement Action for noncompliance with ERCB requirements that fall outside the administration of *Directive 019: Compliance Assurance*. The ERCB relies upon its statutory and regulatory authority to initiate the enforcement action against the licensee by applying a Refer status against the licensee and possibly issuing an Order (Closure, Miscellaneous, and Abandonment). The ERCB generally initiates these enforcement actions because of a mineral or surface lease expiry, an environmental and public safety concern, or a failure to demonstrate the right to the purpose of the wellbore, the right to access the surface, and working interest ownership in the property.

**Refer Status—Focused or Global**

This status indicates a licensee's inability or unwillingness to comply. If applied against a licensee, the ERCB will consider the status when deciding to approve or deny future and pending applications and may apply conditions for continued operation.

For further information on ERCB Enforcement Actions, see *Directive 019: Compliance Assurance* or contact the ERCB Compliance Assurance Section at [compliancecoordination@ercb.ca](mailto:compliancecoordination@ercb.ca).

If you require further information, contact the ERCB Customer Contact Centre by telephone at 1-855-297-8311 (toll free) or 403-297-8311 or by e-mail to [Inquiries@ercb.ca](mailto:Inquiries@ercb.ca).