

GENERAL ORDER 2018-002
Section 49 *Oil and Gas Activities Act*

Issued to:

Success Energy Ltd.
88 Range Green NW
Calgary, AB T3G 1H3

Attention: Mr. Brent Cooper

Order:

Pursuant to section 49(1)(a) of the *Oil and Gas Activities Act* (the Act), I, Patrick Smook, order that Success Energy Ltd. must:

1. On or before 1:00 PM on February 5, 2018, address the source of the staining at the wellhead, address the staining at the wellhead, secure the wellhead, isolate all the piping from the wellhead and cap the piping ends at WA 04980 (the Well) located at 16-19-085-23 W6M (operating area).
2. On or before 4:00 PM on February 28, 2018, for pipeline projects 3206 and 3243 linked to the operating area either,
 - a. submit an acceptable plan for resuming the transportation of fluids, or
 - b. deactivate the pipelines in accordance with CSA Z662 and notify the Commission on completion.

Conditions:

A. This order shall remain in effect until amended or terminated in whole or in part by the Commission.

Reasons:

I make this order for the following reasons:

- i. Success Energy Ltd. is the permit holder of the Well.
- ii. On January 26, 2018 Commission staff inspected the operating area and the following observations were noted:
 - a. The separator and production tank have been removed from the operating area.

- b. Piping from the wellhead is open-ended and is therefore not being maintained in a condition that minimizes hazards contrary to section 78(6)(a) of the Drilling and Production Regulation (DPR).
 - c. Piping from the wellhead remains connected and not isolated from the wellhead and consequently is not being maintained in a condition that minimizes hazards contrary to section 78(6)(a) of the DPR.
 - d. The wellhead valves have not been secured as would be expected to protect the well against damage or interference from unauthorized persons or activities. This is contrary to section 50(3) of the DPR.
 - e. Staining on the wellhead indicates that a substance has escaped or is leaking from the well contrary to section 37(1)(a) of the Oil and Gas Activities Act.
- iii. Success Energy Ltd. is the permit holder of pipeline projects 3206 and 3243.
- iv. On January 28, 2018 Commission staff reviewed Commission records for the status of pipeline projects 3206 and 3243 and noted:
- a. Both projects are currently identified as “active”.
 - b. Project 3206 is linked to WA 5314 located at 16-30-085-23 W6M and to the operating area. Records show that WA 5314 last produced in June 1991.
 - c. Project 3243 is linked to WA 5420 located at 08-31-085-23 W6M and to the operating area. Records show that WA 5420 last produced in November 1998.
 - d. Section 9 of the Pipeline Regulation states that if a pipeline holder has not transported fluids through the holder’s pipeline or part of a pipeline for 18 consecutive months, the pipeline holder must submit a plan for resuming the transportation of fluids through the pipeline, or deactivate the pipeline or part of a pipeline in accordance with CSA Z662 and notify the commission on completion.
 - e. The Commission has not received a plan for the resumption of fluid transportation, nor has it been notified of any completed deactivation for pipeline projects 3206 and 3243.

Review and Appeal:

Success Energy Ltd. may request a review of this order under section 70 of the Act by submitting a request for review to: ogc.determinationreviews@bcogc.ca.

Success Energy Ltd. may appeal this order to the Oil and Gas Appeal Tribunal under section 72 of the Act. The process for appeals can be found at www.ogat.gov.bc.ca and a notice of appeal may be sent to the Oil and Gas Appeal Tribunal at:

Oil and Gas Appeal Tribunal
PO Box 4925 Stn Prov Govt
Victoria, BC V8W 9V1



Patrick Smook
Director, Compliance & Enforcement
Oil and Gas Commission

DATED AT Fort St. John, in the Province of British Columbia, this day of January 31,
2018.