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Regarding the OGAA Implementation: All necessary regulations, documents and background information on OGAA can be found at www.ogc.gov.bc.ca/OGAA/
For any questions pertaining to the status of this document, please contact the Commission at (250) 261-5700.

August 16, 2006

INFORMATION LETTER #OGC 06-10

SUBJECT: Drilling Waste Management

The construction of sumps and the disposal of drilling waste are subject to authorization under both the *Petroleum and Natural Gas Act* and the *Environmental Management Act*. The authorization for these activities is received via the *Oil and Gas Waste Regulation* and the Well Authorization. Both require that sump construction and drilling waste disposal must be performed in accordance with the *Oil and Gas Handbook*.

The Oil and Gas Commission has implemented a new chapter of the Oil and Gas Handbook entitled “Drilling Waste Management” to update and clarify the requirements regarding the disposal of drilling wastes in British Columbia.

This update enhances environmental protection measures and introduces mandatory soil testing requirements for sumps along with requiring the use a web-based reporting and tracking system for drilling sump and drilling waste disposal locations. Prior to conducting drilling waste disposal, the operator must receive a disposal reference number generated by the web-based tracking system.

The Handbook now clearly describes the applicable protocols for hydrocarbon analysis in British Columbia, providing consistency with the parameters of the *Contaminated Sites Regulation*. In addition, the criteria with respect to salinity management have been modified from the Alberta Directive 50 (1996) approach that is based on specific loading rates for selected cations and anions. The revised approach will manage salinity by focusing on changes in soil electrical conductivity and sodium absorption ratio from background levels. This more encompassing approach to salinity management means that advanced gel-chem mud systems (i.e. potassium silicate, potassium sulphate, etc.) are included within this broader regulatory framework and will no longer require site-specific approval prior to disposal.

Effective immediately, the new Drilling Waste Disposal chapter of the Oil and Gas Handbook supercedes and replaces all previous guidance contained in Section 6, Wells and Test Holes of the Oil and Gas Handbook with respect to sump construction and drilling waste management. Use of the previous drilling waste management guidelines and disposal procedure will continue to be accepted until October 31, 2006 to provide an adequate implementation period for the web-based Drilling Waste Tracking System. After this date, all existing open sumps and drilling

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OFFICE OF THE COMMISSIONER

#200, 10003 110 Ave Fort St. John BC V1J 6M7 Ph: (250) 261-5729 Fax: (250) 261-5744
<http://www.ogc.gov.bc.ca> Ph: (250) 261-5700 24 Hr.

waste disposals must be recorded using the Drilling Waste Tracking System and all disposals must be performed in accordance with the Drilling Waste Management chapter of the Oil and Gas Handbook.

http://www.ogc.gov.bc.ca/documents/forms/operations/chapter10_oil&gas_handbook.pdf

Information letters 01-11 and 01-14 are hereby revoked.

For further clarification and/or information, please contact:

Devin Scheck, P.Ag., Manager, Waste Management
Operations Engineering Branch
(250) 261-2059
Email: Devin.Scheck@gov.bc.ca

Original Signed By: Ross Curtis

Ross Curtis
Commissioner