

INDUSTRY BULLETIN 2016-03

Jan. 28, 2016



Unused Equipment Definition and Removal

EFFECTIVE DATE: Immediately

Updated May 2019 Please refer to <u>INDB 2019-08</u>

Recent amendments to the Drilling & Production Regulation (DPR) include a new definition for the term "unused equipment" referenced in section 15(3) and the new section 78(6) of the DPR:

"unused equipment" means equipment, at an oil and gas activity site, that:

a. is related to a decommissioned activity;

- b. is dismantled or partially dismantled to render the equipment inadequate for use;
- c. is in a derelict condition; or
- d. has been inactive for 10 years or longer.

These sections require the permit holder ensure the activity site is free of garbage, debris and unused equipment.

The DPR updates clarify an expectation that wellsite and/or facility and supporting equipment will be removed when inactive for extended periods or when no longer necessary or suitable for production. In addition to aboveground production equipment, the BC Oil and Gas Commission (Commission) interprets unused equipment to include buried components such as pilings, foundations, tanks, rig anchors and pump-jack pads.

When unused equipment is removed from a well or facility, any components extending into the ground should be removed, cut, capped and/or buried below ground level so current and future safety and environmental hazards are eliminated.

The Commission understands that permit holders may have a significant number of sites affected by this regulatory change and suggests the best practice of developing and committing to a plan that identifies, prioritizes and sets timelines for removal of unused equipment. Plans may be submitted to <u>C&E@bcogc.ca</u> to inform the Commission of compliance efforts in relation to unused equipment currently at well and/or facility sites.

If you have any questions regarding this bulletin, please contact:

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