

INDUSTRY BULLETIN 2017-23

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Commission Takes Action on Seven Dams

Following more recent inspections of dams used by the oil and gas industry in northeast British Columbia, the BC Oil and Gas Commission (Commission) has issued three compliance orders to ensure they are safe and pose no threat to the environment. These are in addition to the seven orders announced by the Commission in September via INDB 2017-21.

The Commission found there were no incidents of failures or release of water or sediment from any dams. However, some emerging issues were noted at seven sites, and Orders (as per Section 49 of the Oil and Gas Activities Act) were issued to three companies.

One Order was issued to Nexen Energy, requiring the company to remove all live water storage at four dams, approximately 130 kilometers north of Fort Nelson. The inspection found that some of its dams displayed slumping, surface erosion and surface water channel erosion.

Saguaro Resources was issued one Order to remove all live water storage at two dams, approximately 140 kilometres northwest of Fort St. John. The inspection determined that one of its dams displayed slumping inside the berm, pooling water and erosion.

Conoco-Phillips was issued one Order to remove all live water storage at one dam, approximately 110 kilometres northwest of Fort St. John. The inspection found that the dam displayed surface erosion.

All three companies have until December 15, 2017 to comply with the Orders.

Some freshwater storage structures used in the oil and gas industry qualify as dams under the Dam Safety Regulation of the Water Sustainability Act. The Commission was granted the authority to inspect those dams under the regulation in 2016 to ensure they are in compliance and will remain safe to the public and environment.

The Commission required the operators of water storage structures in northeast B.C. to submit the necessary applications, including assessments and any necessary design modifications done by qualified engineers – and those continue to come in, with the Commission working to review all of them to ensure timely decisions are made in accordance with applicable regulatory and legal requirements.

Orders can be found on the Commission's <u>Compliance and Enforcement</u> page. Additionally, a <u>web map</u> displays all Commission-regulated dams.

Should you have any questions regarding this Industry Bulletin, please contact:

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