

AER Bulletin 2014-19

July 4, 2014

Release of the Inactive Well Compliance Program

The Alberta Energy Regulator (AER) is introducing the inactive well compliance program (IWCP) to address a growing inventory of inactive wells in Alberta and increase the AER's surveillance and compliance efforts under *Directive 013: Suspension Requirements for Wells*. This program applies to all inactive wells that are noncompliant with *Directive 013* as of April 1, 2015. The objective of this program is to bring all inactive noncompliant wells under the program into compliance with *Directive 013* requirements within five years. After April 1, 2015, all inactive wells that are not part of the program will be required to meet the requirements and timeframes of *Directive 013*.

Background

Directive 013 became effective on December 1, 2004. It was designed to reduce the impacts of a growing number of inactive wells on the public, the environment, resource development, and the reputation of the AER and the industry. *Directive 013* identifies suspension, monitoring, and reporting requirements for all inactive wells in Alberta.

Highlights

- **Annual compliance review:** As of April 1, 2015, each licensee will be required to bring 20 per cent of its IWCP inventory into compliance every year, either by reactivating or suspending the wells in accordance with *Directive 013* or by abandoning them in accordance with *Directive 020: Well Abandonment*. Wells under the IWCP that are acquired by a licensee after April 1, 2015, will automatically be included in the target inventory for the following year and equally divided among the years that remain in the program. If a licensee does not meet the target quota, the compliance assurance process will be followed. The AER will conduct random audits and field inspections to verify compliance.
- **Annual compliance report:** The IWCP compliance report will be available on April 1 of each year to each licensee. The report will contain the remaining noncompliant inventory and the target quota for the current year.
- **Inactive well licence list:** The AER will be reintroducing an inactive well licence list to help industry track inactive wells and monitor compliance. This list will include all inactive wells in Alberta and their *Directive 013* compliance status. The information included in the list reflects industry submitted data. If any of the data on the list does not align with the licensee's records,

the licensee is required to update the data through the AER's Digital Data Submission (DDS) system.

Under the AER's Compliance Assurance Program, self-disclosures or extensions pertaining to IWCP and *Directive 013* requirements will not be accepted.

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Any existing wellbore integrity issues, such as surface casing vent flows (SCVF), gas migration (GM), and casing failures must be addressed in accordance with AER *Interim Directive 2003-01: 1) Isolation Packer Testing, Reporting, and Repair Requirements; 2) Surface Casing Venting Flow/Gas Migration Testing, Reporting, and Repair Requirements; 3) Casing Failure Reporting and Repair Requirements*.

Staying Informed

The AER will be hosting information sessions on the IWCP between July and October 2014.

To receive regular updates on the IWCP, including the release date of the Inactive Well Licence List, send your e-mail address to the AER's IWCP team at iwcp@aer.ca.

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