

Monthly Oil and Gas Production and Disposition Statements – Error Notices

If you operate a production facility, you need to be aware of a change in how the Ministry of Small Business and Revenue assists you with correcting errors in your *Monthly Production Statement (S1)* and *Monthly Disposition Statement (S2)*.

Errors in the S1 and S2 can prevent the ministry from processing the information you provide. Currently, if there is an error in your S1 or S2, the ministry contacts you and suggests what you can do to correct the error. However, this can take time. Therefore, to reduce the delay, effective December 1, 2007, the ministry will send error notices to you by e-mail shortly after the S1 and S2 due dates.

To assist you with the error notices, this letter provides:

- general information about how the Oil and Gas Commission (OGC) and the ministry manage well and facility information, and
- a list of possible errors, explanations of what they mean, and information about what you can do to correct them.

General Information

Errors can occur when the information you report on your S1 and S2 is different from the information in the OGC's or the ministry's system. Therefore, understanding how the OGC and the ministry manage well and facility information may help you to correct the errors.

Well Events

The status of a well event has three parts.

1. Fluid type (oil, gas, water, gas cap, solvent or undefined).
2. Mode (active, gas testing, completed, suspended or abandoned).
3. Operation type (production, disposal, injection, observation, source storage or undefined).

To report production for a well event, the mode must be active or gas testing and the operation type must be production in the OGC's system.

The OGC's System

- The OGC has a record of all well events regardless of their status or product.
- The OGC establishes a well event in its drilling event tables when it receives a drilling report for the well event.
- The OGC establishes a well event in its completion event tables when it receives and reviews a completion report for the well event.
- The OGC determines the status of a well event from a *Notice of Commencement or Suspension of Operations* (BC11).

The Ministry's System

- The ministry only enters well events that produce oil or natural gas into its royalty management system. This means the ministry enters a well event into its system when the ministry receives a BC11 showing that the fluid type is oil or gas, that the mode is active or gas testing and that the operation type is production.
- Once the ministry enters a well event in its system, the well event is kept in its system even if the status of the well event changes.

Facilities

The OGC's system

- The OGC establishes a facility in its system when it approves an *Application for Production Facility* (BC20).
- When the OGC establishes a facility, it may be flagged as a **reporting facility**. A reporting facility is a battery or test facility connected to at least one well that is being tested or is producing.
- A facility that is not flagged as a reporting facility is known as a physical facility. You do not have to file the S1 and S2 for physical facilities.
- A well is connected to a reporting facility in the OGC's system when the OGC approves an *Application for Well or Facility to Facility Linkage* (BC21).
- The OGC checks the reporting facility codes provided on the BC11 to make sure those well-to-facility connections are the same as the connections approved on the BC21.

The Ministry's System

- The ministry establishes a facility in its system when the ministry receives the first BC11 for a well event that is connected to that facility. In this situation,

the ministry also uses the BC11 to establish the well-to-facility connection. In all other situations, the ministry uses the BC21 to establish or change well-to-facility connections.

- As the ministry only enters a facility into its system when it receives a BC11 indicating there is a producing well event connected to that facility, there may be facilities that are classified as reporting facilities in the OGC's system that are not in the ministry's system.

Error Messages

Overview

Some errors occur when you report an incorrect Unique Well Identifier (UWI) or facility code on your S1 or S2. You can find valid UWIs and reporting facility codes on the ministry's website at http://www.sbr.gov.bc.ca/business/Natural_Resources/natural_resources.htm Once you are at the website:

- you can find valid UWIs, by clicking on Oil and Gas Royalties and Freehold Production Tax, then Oil and Gas Royalties and Taxes Online, then UWI Query, and then entering the Well Authorization (WA) number, and
- you can find reporting facility codes, by clicking on Oil and Gas Royalties and Freehold Production Tax, then Oil and Gas Royalties and Taxes Online, then Facility Codes, and then searching for the correct reporting facility using the various search parameters that are available.

You can also contact the ministry for assistance by e-mail at Oil&GasRoyaltyQuestions@gov.bc.ca or by phone 250 952-0192 in Victoria, or toll-free at 1 800 667-1182.

When you correct an error, you may need to notify the ministry of the correction you have made, or provide the ministry with other information. Please use the e-mail address or phone number listed above to contact the ministry.

If you need to amend your S1 or S2 to correct an error, either send the amended report to the above e-mail address, or notify the ministry by e-mail or phone. This may prevent the ministry from issuing unnecessary penalties.

If you correct some of the well events reported on your S1 and you submit the amendment on paper, only include the amended well events. If your system will only allow you to resubmit the entire S1, please highlight the amended well events.

Complete List of Possible Errors

Error	Explanation	What To Do
<p>** ERROR 0019 ** This S2 facility is not an OGC reporting facility.</p>	<p>The indicated facility has a valid facility code, but is not considered by the OGC to be a reporting facility. A reporting facility is a battery or test facility connected to at least one well that is being tested or is producing.</p>	<ul style="list-style-type: none"> ▪ Submit the S2 again with the correct reporting facility code and ask the ministry to delete the previous S2. You can find a list of reporting facilities on the ministry's website or you can contact the ministry for assistance.
<p>** ERROR 0150 ** Production period is before 198904.</p>	<p>The production period you reported on the indicated S1 or S2 is before April 1989. The systems that the ministry and the OGC use cannot process information before April 1989.</p>	<ul style="list-style-type: none"> ▪ See if you reported the correct production period. ▪ If it was not correct, submit the report again with the correct period and notify the ministry. ▪ If it was correct, contact the ministry.
<p>** ERROR 0152 ** This UWI has never been a producing well event.</p>	<p>The indicated well event exists in the OGC's system, but not in the ministry's system.</p>	<ul style="list-style-type: none"> ▪ See if you reported the correct well event on the S1. ▪ If it was not correct, submit the S1 again with the correct well event and notify the ministry. ▪ If it was correct, submit a BC11 to activate the well event. ▪ If you have already submitted a BC11 with the appropriate status, no further action is required.
<p>** ERROR 0233 ** This UWI is not in COMPLETION_EVENT in the OGC system.</p>	<p>You reported production for the indicated well event on an S1, but the UWI is not in the OGC's completion event records for any event sequence. It is only in the OGC's drilling records.</p>	<ul style="list-style-type: none"> ▪ See if you recorded the correct UWI on the S1. ▪ If it was not correct, submit the S1 again with the correct UWI and notify the ministry. ▪ If it was correct, see if you have filed a BC11 to activate the well event. If not, submit a BC11. This will result in essential completion information being entered in the OGC's completion event records. You should also ensure that a <i>Completion/Workover Report</i> for the well event is filed with the OGC. If you have filed a BC11 and a <i>Completion/Workover Report</i>, nothing more needs to be done.

Error	Explanation	What To Do
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<p>** ERROR 0234 ** No status information for this UWI and production period.</p>	<p>The indicated well event is valid, but status information for the well event is not in the OGC's system for the reported period.</p>	<ul style="list-style-type: none"> ▪ See if you reported the correct production period on the S1. ▪ If it was not correct, submit the S1 again with the correct period and notify the ministry. ▪ If it was correct, submit a BC11 to create the required status information or to amend the effective periods as required.
<p>** ERROR 0237 ** Cannot report condensate production to an oil well.</p>	<p>You reported condensate production on an S1 for the indicated well event while the OGC's records show oil as the fluid type of that well event for the reported period.</p>	<ul style="list-style-type: none"> ▪ See if the fluid type is correct. ▪ If the fluid type is not correct, submit a BC11 to change the fluid type to gas for the reported period. ▪ If the fluid type is correct, submit the S1 again with the volume reported as oil production instead of condensate production and notify the ministry.
<p>** ERROR 0238 ** Cannot report oil production for a gas well.</p>	<p>You reported oil production on an S1 for the indicated well event while the OGC's records show gas as the fluid type of that well event for the reported period.</p>	<ul style="list-style-type: none"> ▪ See if the fluid type is correct. ▪ If the fluid type is not correct, submit a BC11 to change the fluid type to oil for the reported period. ▪ If the fluid type is correct, submit the S1 again with the volume reported as condensate production instead of oil production and notify the ministry.
<p>** ERROR 0241 ** Cannot report oil or gas production to a water well.</p>	<p>You reported oil, condensate, or gas production on an S1 for the indicated well event while the OGC's records show water as the fluid type of that well event for the reported period.</p>	<ul style="list-style-type: none"> ▪ See if the fluid type is correct. ▪ If the fluid type is not correct, submit a BC11 to change the fluid type to oil or gas for the reported period. ▪ If the fluid type is correct, submit the S1 again with the oil, condensate or gas volume reported for the correct well event with the required fluid type and notify the ministry.
<p>** ERROR 0242 ** Status for this UWI is 'SUSPENDED'.</p>	<p>You reported oil, condensate or gas production on an S1 for the indicated well event, but the mode of that well event is suspended for the reported period in the OGC's records.</p>	<ul style="list-style-type: none"> ▪ See if the mode is correct. ▪ If the mode is not correct, submit a BC11 to change the mode to active for the reported period. ▪ If the mode is correct, submit the S1 again with the production volumes reported for the correct well event with an active mode and notify the ministry.

Error	Explanation	What To Do
** ERROR 0265 **	The sum of the measured and prorated	<ul style="list-style-type: none"> ▪ Notify the ministry of the correct

Hours of production for this UWI exceed 744 (31days*24hrs).	hours you reported on an S1 for the indicated well event is greater than 31 days times 24 hours per day.	number of hours.
** ERROR 0332 ** Hours of production for this UWI exceed hours in this period.	The sum of measured and prorated hours you reported on and S1 for the indicated well event is less than 744, but more than the actual number of hours in the reported month. The reported month has 30 days, but you reported more than 720 (30 x 24) hours, or the month is February and you reported more than 672 hours, or if it is a leap year, more than 696 hours.	<ul style="list-style-type: none"> Notify the ministry of the correct number of hours.
** ERROR 0419 ** This UWI is not in DRILLING_EVENT in OGC system.	You reported production for the indicated well event on an S1, but the UWI is not in the OGC's completion event records or drilling records for any event sequence. The location part of the identifier does not match any location in the OGC's records.	<ul style="list-style-type: none"> See if you recorded the correct UWI on the S1. If it was not correct, submit the S1 again with the correct UWI and notify the ministry. If it was correct, see if the location of the well event is correct. If you are unsure about what the UWI location should be, refer to the targeted bottom-hole location on the WA. You can also find valid UWI locations on the ministry's website. Submit the S1 again with the correct UWI and notify the ministry. If the UWI Query shows that the UWI you used is valid, this means the OGC entered completion information after you filed the S1. Ask the ministry to process the S1 again with the same UWI.
** ERROR 0420 ** Completion event sequence is not valid for this UWI's location. (to continue, see page 7)	You reported production for the indicated well event on an S1 and the well event is not in OGC's completion event records, but there is a UWI in the OGC's completion event records with the same location and a different event sequence. The location part of the identifier is probably correct, but the event sequence is not.	<ul style="list-style-type: none"> See if you recorded the correct UWI on the S1. If it was not correct, submit the S1 again with the correct UWI and notify the ministry. If it was correct, see if the event sequence is correct. You can find valid event sequences for a location on

Error	Explanation	What To Do
** ERROR 0420 ** (continued from page 6)		the ministry's website. When you find the correct event sequence, submit the S1 again with the correct UWI and

		<p>notify the ministry.</p> <ul style="list-style-type: none"> ▪ If the UWI Query shows that the event sequence you used is valid, this means the OGC entered completion information after you filed the S1. Ask the ministry to process the S1 again with the same UWI.
<p>** ERROR 0421 ** Operations Type is DISPOsal in OGC system but must be PROD'n.</p> <p>** ERROR 0422 ** Operations Type is INJection in OGC system but must be PROD'n.</p> <p>** ERROR 0423 ** Operations Type is OBServation in OGC but must be PROD'n.</p> <p>** ERROR 0424 ** Operations Type is SouRCe in OGC system but must be PROD'n.</p> <p>** ERROR 0425 ** Operations Type is STORage in OGC system but must be PROD'n.</p>	<p>You reported oil, condensate or gas production for the indicated well event, but the operation type of that well event is not production for the reported period in the OGC's records.</p>	<ul style="list-style-type: none"> ▪ See if the operation type is correct. ▪ If the operation type is not correct, submit a BC11 to change the operation type to production for the reported period. ▪ If the operation type of that well event is correct, submit the S1 again with the production volumes reported for a different well event with an operation type that is production and notify the ministry.
<p>** ERROR 0426 ** Mode Code is COMPLETED in OGC system but must be ACTIVE.</p> <p>** ERROR 0427 ** Mode Code is SUSPended in OGC system but must be ACTIVE.</p>	<p>You reported oil, condensate or gas production for the indicated well event, but the mode of that well event is not active or gas testing for the reported period in the OGC's records.</p>	<ul style="list-style-type: none"> ▪ See if the mode is correct. ▪ If the mode is not correct, submit a BC11 to change the mode to active or gas testing for the reported period. ▪ If the mode of that well event is correct, submit the S1 again with the production volumes reported for a different well event with a mode that is active or gas testing and notify the ministry.
Error	Explanation	What To Do
<p>** ERROR 0428 ** Mode Code is unknown in OGC system but must be ACTIVE.</p>	<p>You reported oil, condensate or gas production for the indicated well event, but the mode of that well event is not active or gas testing for the reported period in the OGC's records.</p>	<ul style="list-style-type: none"> ▪ See if the mode is correct. ▪ If the mode is not correct, submit a BC11 to change the mode to active or gas testing for the reported period. ▪ If the mode of that well event is correct,

		submit the S1 again with the production volumes reported for a different well event with a mode that is active or gas testing and notify the ministry.
<p>** ERROR 0429 ** Operations Type is UNDEFINED in OGC system but must be PROD'n.</p> <p>** ERROR 0430 ** Operations Type is unknown in OGC system but must be PROD'n.</p>	You reported oil, condensate or gas production for the indicated well event, but the operation type of that well event is not production for the reported period in the OGC's records.	<ul style="list-style-type: none"> ▪ See if the operation type is correct. ▪ If the operation type is not correct, submit a BC11 to change the operation type to production for the reported period. ▪ If the operation type of that well event is correct, submit the S1 again with the production volumes reported for a different well event with an operation type that is production and notify the ministry.
<p>** ERROR 0432 ** This S2 facility is not in the OGC system.</p>	The indicated facility code is not in the OGC's system.	<ul style="list-style-type: none"> ▪ Submit the S2 again with the correct facility code and ask the ministry to delete the S2 with the invalid code.
<p>** ERROR 0433 ** This S2 facility is not effective for this production period.</p>	The indicated facility was not operating during the reported period in the OGC's records.	<ul style="list-style-type: none"> ▪ See if you reported the correct production period. ▪ If it was not correct, submit the S2 again with the correct period and ask the ministry to delete the S2 with the incorrect period. ▪ If it was correct, contact the Senior Facilities Officer at the OGC by e-mail at S1S2Errors.Resolution@gov.bc.ca or by phone at 250 261-5760 to change the effective date of the facility.
<p>** ERROR 0435 ** This S1 facility is not in the OGC system.</p>	The indicated facility code is not in the OGC's system. It is not a valid code for any physical or reporting facility.	<ul style="list-style-type: none"> ▪ Submit the S1 again with the correct reporting facility code and ask the ministry to delete the S1 with the invalid code. You can find a list of reporting facilities on the ministry's website or you can contact the ministry for assistance.

Error	Explanation	What To Do
<p>** ERROR 0436 ** This S1 facility is not a reporting facility in the ministry.</p>	The indicated facility is in the OGC's system, but not in the ministry's system. The facility has been established in the OGC's system and flagged as a reporting facility, but no BC11 has been filed with the required status (mode is	<ul style="list-style-type: none"> ▪ Submit a BC11 indicating the required status and notify the ministry.

	active or gas testing, fluid type is oil or gas, and operation type is production).	
<p>** ERROR 0437 **</p> <p>This S1 facility is not connected to this UWI.</p>	<p>The indicated UWI is not connected to the facility on the S1 for any reporting period in the OGC's system.</p>	<ul style="list-style-type: none"> ▪ See if the well event was connected to the reported facility. ▪ If it was not connected, submit an amended S1 and an amended S2 for the facility without the well event and notify the ministry. ▪ If the well event was connected to a different facility, submit an amended S1 and an amended S2 for that facility with the well event added to those reports and notify the ministry. ▪ If the well event was connected to the reported facility during the reported period, send a BC21 to the OGC to link the well event to the reporting facility. Specify an effective date on the BC21 that is on or before the reported period. Send the BC21 to the attention of the Senior Facilities Officer at the OGC.
<p>** ERROR 0438 **</p> <p>This S1 facility is not connected to this UWI in this period.</p> <p><i>(to continue, see page 10)</i></p>	<p>The indicated UWI is, or was, connected to the reported facility in the OGC's system, but not in the reported period.</p>	<ul style="list-style-type: none"> ▪ See if the well event was connected to the reported facility during the reported period. ▪ If it was not connected, submit an amended S1 and an amended S2 for the facility without the well event and notify the ministry. ▪ If the well event was connected to a different facility during the reported period, submit an amended S1 and an amended S2 for that facility with the well event added to those reports and notify the ministry.

Error	Explanation	What To Do
<p>** ERROR 0438 **</p> <p><i>(continued from page 9)</i></p>		<ul style="list-style-type: none"> ▪ If the well event was connected to the reported facility during the reported period, send a BC21 to the OGC to change the effective month of the linkage. Send the BC21 to the attention of the Senior Facilities Officer at the OGC.

Further Information

If you have any questions, please call us at 250 952-0192 in Victoria, or toll-free at 1 800 667-1182, or e-mail your questions to Oil&GasRoyaltyQuestions@gov.bc.ca