



Notice of Violation

Administrative Monetary Penalties Regulations

REFERENCE NUMBER: AMP-001-2023

1. INFORMATION FOR OPERATOR / OTHER PERSON / INDIVIDUAL

Name of Operator/Other Person/Individual: ExxonMobil Canada Properties (EMCP)		TOTAL PENALTY AMOUNT (\$): \$4,000
Contact name and title for Operator/Other Person: Lamont Malone – Hebron Asset Manager		Date of Notice: January 24, 2025 (Updated February 13, 2025)
Operator/Other Person/Individual address: Business Office: 20 Hebron Way St. John's, NL. A1A 0L9 Registered Office in NL: 20 Hebron Way St. John's, NL. A1A 0L9		Regulatory Instrument # (if applicable) 24020-020-OA07

On May 28, 2023, when performing maintenance on the knuckle boom crane on the *Hebron* platform a 3ft metal rod separated, while under tension, from the tool in use and travelled 21m to decks/walkways below. A review of this incident determined that EMCP, as the operator of the *Hebron* Platform, failed to ensure that a copy of all operating manuals and other procedures and documents necessary to execute the activity safely were readily accessible at the installation, contrary to section 17(2) of the *Newfoundland Offshore Petroleum Drilling and Production Regulations*, SOR/2009-316. Additionally, EMCP failed to ensure that personnel conducting the activity had, before assuming their duties, the necessary training to safely use the equipment arrangement, contrary to section 72(a) of said regulations.

2. VIOLATION DETAILS

Date of Violation: May 28, 2023	# Days of Violation 1
Has compliance been achieved? ☒ Yes ☐ No <i>(If "No" a subsequent NOV may be issued)</i>	
Location of Violation <i>(e.g. facility/installation/vessel/head office or nearest geographical point)</i> The <i>Hebron</i> Platform, at approximate latitude 46-32.64'N, longitude 048-29.94' within the Hebron Asset Area (Production Licence 1012).	



Notice of Violation

Administrative Monetary Penalties Regulations

Short Form Description of Violation:

Subsection 17(2) of the *Newfoundland Offshore Petroleum Drilling and Production Regulations*, SOR/2009-316 states:

“The operator shall ensure that a copy of all operating manuals and other procedures and documents necessary to execute the work or activity and to operate the installation safely without pollution are readily accessible at each installation.”

Further, Subsection 72(a) of the *Newfoundland Offshore Petroleum Drilling and Production Regulations*, SOR 2009-316 states:

“The operator shall ensure that all personnel have, before assuming their duties, the necessary experience, training and qualifications and are able to conduct their duties safely, competently and in compliance with these Regulations.”

EMCP’s failure to ensure that both of the above requirements in the regulations were met constitutes a Type B violation pursuant to subsection 2(1) and 3(1) of the AMPs Regulations SOR/2016-19

3. RELEVANT FACTS *(Briefly describe reasonable grounds to believe a violation has occurred)*

On Sunday, May 28, 2023, the Canada-Newfoundland and Labrador Offshore Petroleum Board (C-NLOPB) Duty Officer received a verbal incident notification phone call from the Safety, Security, Health and Environment (SSHE) Supervisor of the *Hebron* Platform. The Supervisor provided information of a near miss projectile/dropped object incident that had occurred on the *Hebron* Platform during pin-removal maintenance work on the knuckle boom crane on May 28, 2023 at approximately 2 am. Referenced in the duty officer notification was the following: “... during a maintenance scope on the knuckle boom crane, they were removing pins and a hydraulic tool failed, it caused a component on hydraulic puller to release and project outwards and hit a handrail. The tool dropped 21 meters. The component was 15 pounds and 3 feet long” [Tab 1].

The C-NLOPB subsequently received the written notification from the *Hebron* SSHE Supervisor for this incident on May 28, 2023 [Tab 2]. In the written notification, the operator of the *Hebron* Platform was named as ExxonMobil Canada Properties (EMCP). The written notification provided further information on the incident, and of particular interest, it listed this event as having the potential for fatality. There were no barriers in place for the path the projected rod travelled to hit a handrail, nor were there barriers in place for the path of the 21 meter drop of that same rod to the deck and walkway below. The rod weighed 15 lbs (6.8 kg). The arrangement of the tool that failed, the mode and mechanism of failure of the hydraulic puller was not clear in the written notification.

As a follow up to the written notification, a C-NLOPB Safety Officer sent an email to the *Hebron* SSHE Supervisor to request clarification on the above points. The SSHE Supervisor’s response included photographs of the pin-pulling tool, a similar jack arrangement, the failure point at the pin, and the projectile’s failure point. The SSHE Supervisor also indicated that pending completion of their investigation “...early indications are that a certificate of conformance was in place for this equipment from the supplier of the equipment” and that a “preliminary investigation has not indicated any specialized training required for this equipment and individuals involved appear to have required skills and certifications...” [Tab 3].

EMCP completed an investigation into the incident and filed the investigation report with the C-NLOPB on June 9, 2023 [Tab 4]. C-NLOPB Safety Officers reviewed the investigation report on June 13, 2023 and learned the following:

- The EMCP investigation report provides a sequence of the events leading up to the incident. The drilling maintenance team (DMT) was completing maintenance on the knuckle boom crane on the *Hebron* Platform using a [hydraulic pin puller arrangement](#) with a threaded pulling rod and hydraulic jacks of various sizes – 30, 60 and 100 tons. The DMT attempted the removal of the knuckle boom crane luffing cylinder pin using a 30 ton hydraulic pulling jack with gradual increase of pressure until they reached a maximum pressure of



Notice of Violation

Administrative Monetary Penalties Regulations

10,000 psi. The crew was unsuccessful in removing the pin using the 30 ton hydraulic jack pulling at 10,000 psi. The DMT repeated the process using a 60 ton hydraulic pulling jack with gradual increase of pressure until they reached the maximum pressure of 10,000 psi. This was done three times. The crew was unsuccessful in removing the pin with the 60 ton hydraulic pulling jack and then they tried using a 100 ton hydraulic pulling jack with gradual increase of pressure until they reached a pressure of 5,000 psi. At this point, a three-foot portion of the threaded pulling rod parted and travelled diagonally ~19 m from the knuckle boom crane and contacted the top of the northwest pipe deck crash rail. The projectile deflected off the crash rail and made a second deflection ~12 m down to the north pedestal crane bottom landing, and finally resting (an additional ~14 m down) on the Utilities/Process Module (UPM) upper deck process north side walkway. No barriers were in place for the path the threaded pulling rod travelled to the crash rail, or for the drop path to the deck and walkway below. EMCP indicated this incident had the potential for fatality.

- The EMCP investigation report also stated that: *"The threaded rod was exposed to tensile loads a total of five (5) times. The first time the tensile load applied was below the yield rating of the rod. This was followed by loads above the yield rating applied three (3) times. The rod failed on the 5th attempt with a load close to the yield rating applied."* From this statement, C-NLOPB Safety Officers learned that the puller rod was exposed to tensile loads above the puller rod's yield rating during three of the five attempts to pull the pin.

After reviewing the investigation report, C-NLOPB Safety Officers were left with several unanswered questions, namely:

- 1) Why the DMT would allow loads greater than the yield rating of the pulling rod to be applied?
- 2) Were the actions taken by members of the DMT in accordance with a procedure for performing this task?
- 3) Was an appropriate procedure provided to execute the task?

C-NLOPB Safety Officers requested additional information regarding the equipment used during the incident and procedures/documentation outlining how to execute the pin-pulling task. As well, C-NLOPB Safety Officers held meetings with EMCP officials to better understand the information provided [\[Tab 5\]](#).

From the total package of information provided, along with information learned in the meetings held with EMCP officials, it was the position of C-NLOPB Safety Officers that EMCP, as operator of the *Hebron* Platform, failed to ensure that a copy of all operating manuals and other procedures and documents necessary to execute the pin-pulling activity safely were readily accessible at the installation, contrary to section 17(2) of the *Newfoundland Offshore Petroleum Drilling and Production Regulations*, SOR/2009-316. Specifically, the procedure available to the DMT did not include load rating for threaded puller rod and confirmation that the maximum force imposed by the hydraulic jack must not exceed the load rating of the threaded rod [\[Tab 4, pg. 4\]](#).

Further, the DMT had not been provided training or information with regards to the critical information for the task that led to the incident: *"detailed instructions on how to perform the job were not included in the procedure"* [\[Tab 4, pg. 4\]](#). Therefore, EMCP, as operator of the *Hebron* Platform, failed to ensure that personnel conducting the pin-pulling activity had, before assuming their duties, the necessary training to safely use the hydraulic pin puller arrangement, which is contrary to section 72(a) of the *Newfoundland Offshore Petroleum Drilling and Production Regulations*, SOR/2009-316. Subsequently, the C-NLOPB issued a formal Notice of Non-Compliance to EMCP related to the incident [\[Tab 6\]](#).

On August 28, 2023, I received an official Recommendation for Notice of Violation (NOV), outlining C-NLOPB Safety Officers' recommendation for an Administrative Monetary Penalty based upon their findings and conclusions pertaining to the incident as detailed above [\[Tab 7\]](#).

To confirm and corroborate the assertions and conclusions made by C-NLOPB Safety Officers, I reviewed the Recommendation for NOV, as well as following documentation:



Notice of Violation

Administrative Monetary Penalties Regulations

- 1) Email from C-NLOPB Duty Officer to C-NLOPB distribution list regarding the near-miss incident – 2023/05/28 [\[Tab 1\]](#);
- 2) EMCP Written Notification to C-NLOPB regarding near-miss incident [\[Tab 2\]](#);
- 3) C-NLOPB Safety Officer and EMCP SSHE Supervisor email thread with follow-up questions related to the Written Notification – 2023/05/29 [\[Tab 3\]](#);
- 4) EMCP Incident Investigation Report [\[Tab 4\]](#);
- 5) C-NLOPB Safety Officer and EMCP SSHE Supervisor email thread with information requests related to EMCP Incident Investigation Report (and associated email attachments) [\[Tab 5\]](#);
- 6) C-NLOPB Notice of Non-Compliance [\[Tab 6\]](#);
- 7) Recommendation for Notice of Violation (NOV) [\[Tab 7\]](#);
- 8) *Newfoundland Offshore Petroleum Drilling and Production Regulations* and the AMP Regulations [\[Tab 8\]](#).

Additionally, on September 12, 2023, I contacted an EMCP representative and confirmed that their legal counsel would be my official contact [\[Tab 9\]](#). On September 21, 2023, I contacted EMCP's legal counsel, stating I reviewed a number of documents along with EMCP's Incident Investigation Report, and I asked whether EMCP officially adopted the information in the report as factual and whether there was any other information they would like to submit that was not already provided to the C-NLOPB. Shortly thereafter, I received an email from EMCP's legal counsel, asking for a meeting [\[Tab 10\]](#).

On September 25, 2023, this meeting was held and the AMP process was explained to EMCP's legal counsel. We discussed what documentation the C-NLOPB already had and it was agreed that EMCP's legal counsel would provide us with a timeline of relevant events, as well as a list of relevant documents to confirm we were in possession of all the information EMCP wished us to consider. I received this information in an email on October 13, 2023. The email also contained a presentation relating to the incident [\[Tab 11\]](#). Upon receipt, I reviewed the email and the associated documentation.

Lastly, on November 6, 2023, I sent an email to EMCP's legal counsel, listing all the documentation I had reviewed up to this point and for EMCP to confirm all facts were still valid. On November 14, 2023, I received a reply by email from EMCP's legal counsel, confirming same [\[Tab 12\]](#).

Based on my review of the documentation listed above, in addition to the responses provided by EMCP's legal counsel, I have reasonable grounds to believe that EMCP, as the operator of the *Hebron* Platform, failed to ensure that a copy of all operating manuals and other procedures and documents necessary to execute the pin-pulling activity safely were readily accessible at the installation, contrary to section 17(2) of the *Newfoundland Offshore Petroleum Drilling and Production Regulations*, SOR/2009-316. Specifically, the procedure available to the DMT did not include load rating for threaded puller rod and confirmation that the maximum force imposed by the hydraulic jack must not exceed the load rating of the threaded rod.

Further, it is my belief that the DMT had not been provided training or information with regards to the critical information for the task, which led to the incident. Therefore, EMCP, as the operator of the *Hebron* Platform, failed to ensure that personnel conducting the pin-pulling activity had, before assuming their duties, the necessary training to safely use the hydraulic pin puller arrangement, contrary to section 72(a) of the *Newfoundland Offshore Petroleum Drilling and Production Regulations*, SOR/2009-316.

On January 24, 2025, I issued AMP-001-2023 [\[Tab 13\]](#) with a penalty of \$16,000 to EMCP for this incident. After receipt of the AMP by EMCP, I received an email from their Legal Manager containing additional missing information in relation to the incident [\[Tab 14\]](#). From my review of this documentation, I learned that an audit was undertaken by EMCP in response to the Notice of Non-Compliance (NNC) issued by the C-NLOPB [\[Tab 6\]](#).

The document that was provided contained details pertaining to the incident, EMCP's findings, and corrective actions. Two specific findings that were relevant to this AMP were:



Notice of Violation

Administrative Monetary Penalties Regulations

- 1) *"The Operator's most critical finding was that the work instruction and controlled processes related to the use of jacks and similar tools lacked operating parameters and limits, which were not documented in the work direction processes for any of the work scopes reviewed in the audit" [Tab 15, pg. 3-4].*
- 2) *"The audits assessment unveiled that despite clear craft training and platform specific training around hazard identification specific to jacks and stored energy, the hazard mitigations were limited in the JSA and did not include the range of limitations that one should include given that training and awareness. Specifically, in 2/4 past jobs assessed the hazard of stored energy / ejection potential was not identified."*

"... the Operator did identify that additional specific training in identifying hazards and understanding the risks in hydraulic jacks and accessories might have prevented this incident." [Tab 15, pg. 10-11].

In conclusion, I am still of the view that EMCP contravened sections 17(2) and 72(a) of the *Newfoundland Offshore Petroleum Drilling and Production Regulations*, SOR/2009-316. After review of the additional documentation, it is my opinion that EMCP has implemented significant corrective actions and taken the necessary steps to ensure similar violations do not reoccur. This is a mitigating factor in the calculation of the penalty and I have adjusted the amount from \$16,000 to \$4,000.

4. PENALTY CALCULATION (Refer to AMP Regulations, Schedule 2)

a) Baseline Penalty (Total Gravity Value = 0)

Category:	Type A	Individual	Other Person
		☐ \$1,365	☐ \$5,025
	Type B	☐ \$10,000	☒ \$40,000

(b) Determination of Total Gravity Value

	Gravity Value						
	Mitigating				Aggravating		
	n/a	-2	-1	0	+1	+2	+3
1 - Other violations in previous seven (7) years?	☐	-	-	☒	☐	☐	-
2 - Any competitive or economic benefit from violation?	☐	-	-	☒	☐	☐	-
3 - Reasonable efforts to mitigate violation's effect?	☐	☐	☐	☒	☐	☐	-
4 - Negligence by person who committed violation?	☐	-	-	☒	☐	☐	-
5 - Reasonable assistance to Board regarding violation?	☐	☐	☒	☐	☐	☐	-
- <i>ExxonMobil was forthcoming with information and assistance to the Board.</i>							
6 - Promptly reported violation to Board?	☐	☐	☐	☒	☐	☐	-
7 - Steps taken to prevent reoccurrence of violation?	☐	☒	☐	☐	☐	☐	-
- <i>ExxonMobil has implemented significant corrective actions and taken the necessary steps to ensure similar violations do not reoccur.</i>							



Notice of Violation

Administrative Monetary Penalties Regulations

8 – Was primarily a reporting / record-keeping failure?	☐	☐	☐	☒	-	-	-
9 – Increased risk of harm to people or environment?	☐	-	-	☒	☐	☐	☐

Total Gravity Value: -3

c) Total Gravity Value:

(Total of gravity values determined in 4(b))

-3

d) Daily Penalty

(The baseline penalty per 4(a) adjusted by total gravity value per 4(c). Refer to Administrative Monetary Penalties Regulations, Schedule 2)

\$4,000

e) Number of Days of Violation

(Refer to section 2 of form. If more than one day, provide justification below)

1

Notes to explain decision to apply multiple daily penalties (if applicable):

N/A

f) Total Penalty Amount

(Step 4(d) x Step 4(e))

\$4,000

5. DUE DATE (within 30 days after the NOV was served)

If you have any questions regarding this matter, please contact the undersigned.

Regards,

Signed by:

B30DBF34B50147D...

Administrative Monetary Penalties Officer



Notice of Violation

Administrative Monetary Penalties Regulations

Notes:

You have the right to make a request for a review of the amount of the penalty or the facts of the violation, or both, within 30 days after the NOV was served.

If you do not pay the penalty nor request a review within the prescribed period, you are considered to have committed the violation and you are liable for the penalty set out in the NOV. The penalty is due on the date indicated above.

The unpaid penalty amount is a debt due to the His Majesty in right of the Province and may be recovered in the Supreme Court of Newfoundland and Labrador.

AMPs Published on the C-NLOPB's Website:

In the interest of public transparency respecting the issuance of AMPs, information relating to the NOV may be posted on the C-NLOPB's website as soon as the NOV has been served (may include the name of the company who committed the violation, the issue date, the region and facility, the nature of the violation, and the amount of the penalty).

The C-NLOPB has the discretionary authority to post the complete NOV following the expiry of the 30 day period during which you may make a Request for Review, or upon issuing a decision following a Request for Review.

To Make Payment:

You may remit your fee payment by Cheque, Money Order, Bank Draft, or Electronic Funds Transfer (EFT).

Fees must be made payable to the Receiver General of Canada.

Payment instructions are included in the attached Payment Form. Questions regarding payments or the Payment Form should be directed to the C-NLOPB's Corporate Services.

For Cheque, Money Order or Bank Draft payments, your completed Payment Form should be enclosed with your payment and mailed to:

Canada-Newfoundland and Labrador Offshore Petroleum Board
240 Waterford Bridge Road
The Tower Corporate Campus – West Campus Hall
Suite 7100
St. John's, NL
A1E 1E2

For EFT payments, your completed Payment Form and notification of payment should be emailed to the C-NLOPB's Corporate Services: pbutler@cnlopb.ca or cfinlay@cnlopb.ca.

To Request a Review:

Pursuant to the *Canada-Newfoundland and Labrador Atlantic Accord Implementation Act* (reference to Federal Version), Section 202.2, you may file a Request for Review of this Notice of Violation by the Board.

The date of filing a Request for Review is the date on which the document is received in the C-NLOPB Information Account (information@cnlopb.ca).

If you elect to make a Request for Review, complete and submit the attached Request for Review form to information@cnlopb.ca.

For more information on reviews, please see the *Administrative Monetary Penalties Guidelines* available on the C-NLOPB's website.



Notice of Violation

Administrative Monetary Penalties Regulations

REQUEST FOR REVIEW OF ADMINISTRATIVE MONETARY PENALTY (AMP)

SECTION A – AMP NUMBER

AMP Number:

The information collected herein is protected in the provisions of the Privacy Act, and will be used and disclosed only as part of the process to request review of an administrative monetary penalty.

SECTION B – APPLICANT INFORMATION

Name of Company/Individual:

Contact Person:

Address:

Street:

City:

Province:

Postal Code:

Mailing Address (if different from above)

Street:

City:

Province:

Postal Code:

Contact Details

Phone Number:

Facsimile:

Email Address:

SECTION C – REQUEST DETAILS

C.1 Identify Review Type

If you received a *Notice of Violation*, you have the right to request a review in accordance with subsections 198.12 and 202.2 of the *Accord Acts*. Please check the appropriate box, to identify what kind of review you are requesting, and then provide the corresponding information as instructed in Section C.2, C.3 or C.4, as applicable.

(Mark only ONE of the following boxes)

☐ Review of Penalty Amount

☐ Review of Facts of Violation

☐ Review of Both

C.2 Review of Penalty Amount

Provide detailed reasons why the C-NLOPB should determine that the amount of the penalty was not determined in accordance with the regulations (*if more space is needed, please attach information to the back of this form*):

C.3 Review of facts of Violation



Notice of Violation

Administrative Monetary Penalties Regulations

Provide detailed reasons why the C-NLOPB should determine that you did not commit the violation (*if more space is needed, please attach information to the back of this form*):

C.4 Review of Both Penalty Amount and Facts of Violation

Provide detailed reasons why the C-NLOPB should determine that the amount of the penalty was not determined in accordance with the regulations and that you did not commit the violation (*if more space is needed, please attach information to the back of this form*):

SECTION D – PREFERRED MODE OF REVIEW

Indicate the manner in which you prefer the review be carried out.
(Mark only ONE of the following boxes)

- ☐ Written submission only
- ☐ Written submission and verbal presentation

Note: This form is intended to enable a person served with a Notice of Violation to request a review of either the administrative monetary penalty amount set out in said Notice, or the facts of the violation, or both, within 30 days after the day on which the Notice of Violation is served. Instructions for submission are provided at the end of this form.

The C-NLOPB will provide review timelines upon receipt of a Request for Review.

If the Request for Review is received by the C-NLOPB after the due date, the requestor will be notified that the request opportunity has passed, and that the administrative monetary penalty is to be paid by the original due date.

*Detailed information on the administrative monetary penalties (AMPs) process is available in the **Administrative Monetary Penalty Guidelines** found on the C-NLOPB's website.*

INSTRUCTIONS for Submitting Request

The completed request for review can be submitted electronically to information@cnlopb.ca.



Notice of Violation

Administrative Monetary Penalties Regulations

Administrative Monetary Penalty (AMP)

PAYMENT FORM

REFERENCE NUMBER:

Name of Operator/Other Person/Individual:	Regulatory Instrument #
Contact name and title for Operator/Other Person:	TOTAL PENALTY AMOUNT (\$):
Operator/Other Person/Individual address:	Date of Notice: Payment Due Date:

FOR PAYMENT NOTIFICATION	
☐ Payment Remitted (Follow payment instructions below)	
Method of Payment ☐ Cheque, Money Order or Bank Draft (attached to this Payment Form) ☐ Electronic Funds Transfer (EFT). Date of EFT: _____	
Contact Information for Payment (if different from above): Name, address, and telephone and fax numbers	

Questions regarding this form should be directed to the C-NLOPB's Corporate Services
 pbutler@cnlop.ca or cfinlay@cnlop.ca.

PAYMENT INSTRUCTIONS:

A. For payments made by cheque, money order or bank draft

1. Attach a copy of this form and quote the reference number with your payment.
2. Payments must be made payable to the Receiver General of Canada.
3. Payments must be denominated in Canadian dollars.

Remittances must be sent to:



Notice of Violation

Administrative Monetary Penalties Regulations

Canada-Newfoundland and Labrador Offshore Petroleum Board
240 Waterford Bridge Road
The Tower Corporate Campus – West Campus Hall
Suite 7100
St. John's, NL
A1E 1E2

B. For remittances made using Electronic Funds Transfer (EFT)

For EFT payments, your completed Payment Form and notification of payment should be emailed to the C-NLOPB's Corporate Services: pbutler@cnlopb.ca or cfinlay@cnlopb.ca.

NOTES:

1. Remittances in currencies other than Canadian dollars or sent to other government agencies other than the Receiver General of Canada will be deemed **not to have been received** by the Canada-Newfoundland and Labrador Offshore Petroleum Board.
2. If payments are not received in accordance with the terms of the Notice of Violation, penalties will be recovered in accordance with the *Canada-Newfoundland and Labrador Atlantic Accord Implementation Act* and the *Canada-Newfoundland and Labrador Atlantic Accord Implementation Newfoundland and Labrador Act*.
3. Overdue accounts will be charged interest at the rate of 1.5% per month compounded monthly.

To obtain additional information about and view the *C-NLOPB Administrative Monetary Penalties Regulations*, please go to:

<https://www.cnlopb.ca/legislation/regulations/>