



NWT OFFICE OF THE REGULATOR OF OIL AND GAS OPERATIONS

Office of the Regulator of Oil and Gas Operations

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Ken Nikiforuk
Manager, Completions
Strategic Oil and Gas Ltd.
1100, 645 – 7TH AVENUE SW
CALGARY AB T2P 4G8

January 21, 2019

Dear Ken Nikiforuk:

Letter of Decision: ACW-2018-014-SOG-E-72-WID2048

On December 20, 2018, the Office of the Regulator of Oil and Gas Operations (OROGO) received a complete application from Strategic Oil and Gas Ltd. (Strategic) for the abandonment of the Cameron E-72 well.

Strategic also filed additional information with OROGO on January 14 and 17, 2019, in response to Information Request No. 1.

The Regulator, designated under section 121 of the *Oil and Gas Operations Act* (OGOA), may issue a Well Approval under section 10(4) of that act. The Regulator has delegated the power to issue authorizations under section 10(4) of OGOA to the Chief Conservation Officer, in accordance with section 8 of that act.

I have reviewed Strategic's description of its proposed activity and find that the application demonstrates that this activity will be conducted safely, without waste and without pollution, in compliance with the *Oil and Gas Drilling and Production Regulations*. Therefore, Strategic's application is approved, subject to the terms contained in the attached Well Approval.

Strategic must post a copy of the attached Well Approval in a clearly visible location at the work site.

Sincerely,

James Fulford
Chief Conservation Officer

Encl. Well Approval ACW-2018-014-SOG-E-72-WID2048

c. Michael Bolianatz, Regulatory Compliance Officer, Strategic Oil and Gas Ltd.

Bureau de l'organisme de réglementation des opérations pétrolières et gazières

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BUREAU DE L'ORGANISME DE RÉGLEMENTATION DES OPÉRATIONS PÉTROLIÈRES ET GAZIÈRES DES TNO

WELL APPROVAL

Subject to the terms listed below, a well approval is granted under Section 10 of the *Oil and Gas Operations Act* and Part 2 of the *Oil and Gas Drilling and Production Regulations* to


| | |
|-------------------------------------|-----------------------------|
| Company Name | Company Operating Licence # |
| Strategic Oil and Gas Ltd. | NWT-OL-2014-007 |
| Responsible Officer and Title | |
| Ken Nikiforuk, Manager, Completions | |

to proceed with the works and activities described in its December 11, 2018 application for

| | |
|---------------------------------------|---------------------------|
| Type of Work | Settlement Area or Region |
| Abandonment | South Slave |
| Scope of Work | |
| Abandonment of the Cameron E-72 well. | |

This approval is granted under Operations Authorization OA-1237-001 and expires on April 1, 2019.

Dated at Yellowknife, Northwest Territories on January 21, 2019.

| | |
|------------------------------|--|
| Name of Regulator / Delegate | Signature of Regulator / Delegate |
| Mr. James Fulford |  |
| Title | |
| Chief Conservation Officer | |

ADDITIONAL TERMS

1. Strategic Oil and Gas Ltd. shall cause the approved work and activities to be conducted in accordance with the requirements of the *Oil and Gas Operations Act* and the *Oil and Gas Drilling and Production Regulations*, as well as any other acts or legislation as may apply.
2. Strategic Oil and Gas Ltd. shall cause the approved work and activities to be conducted in accordance with any guidelines and/or interpretation notes issued by the Regulator under section 18 of the *Oil and Gas Operations Act*.
3. Strategic Oil and Gas Ltd. shall cause the approved work and activities to be conducted in accordance with the specifications, standards and other information referred to in its application and subsequent submissions.
4. Strategic Oil and Gas Ltd. shall request approval from the Chief Conservation Officer prior to undertaking any change to or deviation from the authorized work or activities, including but not limited to key personnel, the safety plan, the environmental protection plan and contingency plans.
5. Strategic Oil and Gas Ltd. shall meet the commitments made in its *Assessment of Cameron Hills October 2018* (filed with OROGO on October 5, 2018) with respect to addressing identified site safety and integrity deficiencies including well head maintenance in conjunction with the approved activity.
6. Strategic Oil and Gas Ltd. shall provide all staff and contractors for this program with its Emergency Response Plan and the OROGO 24-hour Incident Reporting phone number (867-445-8551) prior to commencing any work or activity.
7. Strategic Oil and Gas Ltd. shall notify OROGO at least 10 days prior to the start of well abandonment operations.
8. Strategic Oil and Gas Ltd. shall submit to OROGO an updated operator contact list for this program prior to any work or activity.
9. Strategic Oil and Gas Ltd. shall submit to OROGO a completed Change of Well Status form 30 days after the service rig release date or when the operation has been successfully completed.

10. Strategic Oil and Gas Ltd. shall ensure that the Final Well Operations Report for the approved activity lists all work completed at each well site to address:
 - a. Draining, purging and integrity protection of pipes, tanks and pressure vessels;
 - b. Identification/signage requirements for suspended and/or out-of-service infrastructure;
 - c. Maintenance of all-season safe access and egress;
 - d. Maintenance of all safety equipment; and
 - e. Management of all other hazards to ensure human safety and protection of the environment.

11. Strategic Oil and Gas Ltd. shall report any emergency flaring or venting in accordance with section 67(b) of the *Oil and Gas Drilling and Production Regulations*.