



NWT OFFICE OF THE REGULATOR OF OIL AND GAS OPERATIONS

Office of the Regulator of Oil and Gas Operations

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Aaron V. Smith
Senior Vice President, Development and Operations
Obsidian Energy Ltd.
Suite 200, Penn West Plaza
207 – 9 AVE SW
CALGARY AB T2P 1K3

November 24, 2020

Dear Aaron Smith:

**Information Request No. 1: Application to
Abandon the North Liard C-31A Well (ACW-2019-006-OBS-C-31A-WID1907)**

On January 31, 2020, the Office of the Regulator of Oil and Gas Operations (OROGO) received an updated well abandonment program from Obsidian Energy Ltd. (Obsidian) for the North Liard C-31A well.

OROGO has reviewed the information provided by Obsidian and requires additional information in order to complete its review of Obsidian's application to abandon the North Liard C-31A well, as set out in the attached Information Request No. 1.

Please send your written responses and any associated correspondence to Peter Lennie-Misgeld at oro.go@gov.nt.ca or through OROGO's secure file transfer site on or before 4:00 p.m. on December 1, 2020. If you are unable to respond within this timeframe or have any questions, please contact OROGO at (867) 767-9097 or by email at oro.go@gov.nt.ca.

Sincerely,

Pauline de Jong
Regulator

Encl. Information Request No. 1

c. regulatory@obsidianenergy.com

Obsidian Energy Ltd.

Application for an Authorization to Alter the Condition of a Well - North Liard C-31A

ACW-2019-006-OBS-C-31A-WID1907

Information Request #1

1.1 Well Classification / Cementing During Abandonment / Cement Evaluation

PREAMBLE: On January 31, 2020, Obsidian Energy Ltd. (Obsidian) submitted an updated well abandonment program for the North Liard C-31A (WID1907) well. Section IV, Reservoir Properties (page 11) of the proposed Wellbore Abandonment Program notes the gas composition of the perforated Exshaw formation as 2% H₂S and 18% CO₂. Section 2 of the *Well Suspension and Abandonment Guidelines and Interpretation Notes* (Guidelines) defines an Acid Gas Well as a well that produces a combination of any amount of H₂S and CO₂ and classifies all Acid Gas wells as Risk Level I. Therefore, Section II, Well Data (Page 9) incorrectly classifies the well as Risk Level II.

Section VIII, Procedure, Step 12 (page 17) of the proposed Wellbore Abandonment Program states that Obsidian will circulate 15 metres of cement on top of a pressure tested bridge plug. Section 6 of the Guidelines requires a Risk Level I well to be abandoned with 30 meters of circulated cement placed above a pressure tested bridge plug.

Section VIII, Procedure (pages 15-18) of the proposed Wellbore Abandonment Program does not identify how Obsidian will conduct cement evaluation as required in section 6 of the Guidelines (i.e. determine the cement top, evaluate cement bond and assess repair or remedial cementing requirements).

REQUEST: To ensure compliance with section 6 of the Guidelines, Obsidian is required to submit an updated Well Abandonment Program that:

- correctly identifies the North Liard C-31A well as an acid gas well with a Level I Risk Classification;
- updates procedural steps to clearly demonstrate 30 meters of circulated cement will be placed above a pressure tested bridge plug; and
- identifies how cement evaluation requirements will be conducted.