



NWT OFFICE OF THE REGULATOR OF OIL AND GAS OPERATIONS

Office of the Regulator of Oil and Gas Operations

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Steve Sterling
Manager, Regulatory and Environment
Obsidian Energy Ltd.
SUITE 200 Penn West Plaza, 207 – 9 AVE SW
CALGARY AB T2P 1K3

May 10, 2021

Dear Steve Sterling:

Decision: ACW-2019-007-K-32-WID1860

On October 9, 2020, the Office of the Regulator of Oil and Gas Operations (OROGO) received a complete application from Obsidian Energy Ltd. (Obsidian) for the abandonment of the Fort Liard K-32 (WID1860).

Obsidian also filed additional information with OROGO in response to Information Request #1 on March 31, 2021 and Information Request #2 on May 3, 2021.

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. On August 2, 2020, the Commissioner in Executive Council designated me as the Regulator under section 121 of OGOA.

I have reviewed Obsidian'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, Obsidian's application is approved, subject to the terms contained in the attached Well Approval.

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

Sincerely,

Pauline de Jong
Regulator

Encl. ACW-2019-007-K-32-WID 1860

- c. Aaron Smith, Senior Vice President, Development & Operations, Obsidian
Cliff Swadling, Senior Director, Production & Operations, Obsidian
Craig Langford, Environmental Coordinator, Obsidian
Regulatory@obsidianenergy.com

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

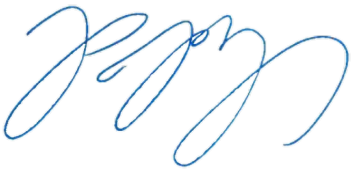
Company Name Obsidian Energy Ltd.	Company Operating Licence # NWT-OL-2014-015
Responsible Officer and Title Steve Sterling, Manager, Regulatory and Environment	

to proceed with the works and activities described in its October 9, 2020 application and subsequent submissions for

Type of Work Well abandonment	Settlement Area or Region Dehcho
Scope of Work Abandonment of the Fort Liard K-32 Well (WID1860)	

This approval is granted under Operations Authorization OA-2019-001-OBS and expires on November 1, 2022.

Dated at Yellowknife, Northwest Territories on May 10, 2021.

Name of Regulator / Delegate Ms. Pauline de Jong	Signature of Regulator / Delegate 
Title Regulator	

ADDITIONAL TERMS

1. Obsidian Energy 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. Obsidian Energy 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. Obsidian Energy 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 received October 9, 2020 and subsequent submissions.
4. Obsidian Energy Ltd. shall request approval from the Regulator 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. Prior to installation of the vented wellbore cap, Obsidian Energy Ltd. shall provide documentation that clearly demonstrates, to the satisfaction of the Regulator, that the wellbore is filled with non-saline water in compliance with Section 6A of the *Well Suspension and Abandonment Guidelines and Interpretation Notes*.
6. Obsidian Energy 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. Obsidian Energy Ltd. shall notify OROGO at least 10 days prior to the start of well abandonment operations.
8. Obsidian Energy Ltd. shall submit to OROGO certificates and inspection documents for any service rig, well control and associated equipment (including boilers) at least 10 days prior to the rig commencing work.
9. Obsidian Energy Ltd. shall submit to OROGO an updated operator contact list for this program prior to any work or activity.
10. Obsidian Energy 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.
11. Obsidian Energy Ltd. shall report any emergency flaring or venting in accordance with section 67(b) of the *Oil and Gas Drilling and Production Regulations*.