



August 17, 2021

Office of the Regulator of Oil and Gas Operations
Government of the Northwest Territories
4th Floor Northwest Tower
5201 – 50th Avenue
Yellowknife NT X1A 3S9
Sent via email only to: OROGO@gov.nt.ca

RE: Request for Variation of the ACW - OA-2019-001-OBS variation #2 and Condition 4 of ACW-2019-007-K-32-WID1860

Ms. Pauline de Jong,

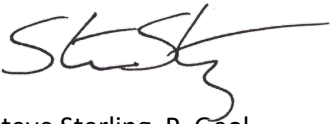
Obsidian Energy Ltd (“Obsidian”, “we”, “our”) is in receipt of the letter from Office of the Regulator of Oil and Gas Operations (OROGO) dated June 16, 2021 related to updated plans required to meet conditions 6 and 7 of Operations Authorization OA-2019-001 variation #2 (OA) for our Fort Liard K-32 well. OROGO confirmed the updated plans satisfied condition 6 of Obsidian’s OA; however, noted that completing an overland abandonment operation during the winter 2021/2022 season instead of the approved heli-portable operation under ACW-2019-007-K-32-WID1860 (ACW) planned for the summer of 2022 would require a request for variation of the ACW.

In response, Obsidian is requesting Regulatory approval for a variation to the ACW for the Fort Liard K-32 well. Obsidian would like to have the option to complete an overland abandonment operation should access become available through synergies with other Operators in the area. The K-32 ACW has been updated to include the option of completing an overland abandonment operation.

If you require any additional information, please contact me at (403) 669-1768 at any time convenient for you.

Respectfully,

OBSIDIAN ENERGY LTD.

A handwritten signature in black ink, appearing to read "Steve Sterling". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Steve Sterling, P. Geol.,
Manager, Environment & Regulatory

cc. Aaron Smith, Senior Vice President, Development & Operations
Cliff Swadling, Senior Director, Production and Operations