



NWT OFFICE OF THE REGULATOR OF OIL AND GAS OPERATIONS

Office of the Regulator of Oil and Gas Operations

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John Hawkins, P. Eng.
Director Asset Management
Paramount Resources Ltd.
Suite 2800, 421 – 7TH AVE SW
CALGARY AB T2P 4K9

March 2, 2021

Dear John Hawkins:

Information Request No. 2: Paramount Resources Ltd. Application to Alter the Condition of a Well – Mount Coty I-02 Well (ACW-2020-004-PAR-I-02-WID1884)

On February 15, 2021 the Office of the Regulator of Oil and Gas Operations (OROGO) received a response from Paramount Resources Ltd. (Paramount) to Information Request (IR) No. 1 regarding the Application to Alter the Condition of a Well (ACW) for the proposed abandonment of the Mount Coty I-02 (WID 1884) well.

OROGO has reviewed the information provided by Paramount and requires further information in order to complete its review of Paramount's ACW application, as set out in the attached IR No. 2.

Please send your written responses and any associated correspondence to Peter Lennie-Misgeld, Senior Advisor, Legislation and Policy at oro.go@gov.nt.ca or through OROGO's secure file transfer site, on or before 4:00 pm on April 6, 2021. 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. 2

Information Request No. 2
ACW-2020-004-PAR-I-02-WID1884

2.1 Retrievable Packer

Preamble:

Paramount Resources Ltd. (Paramount) submitted an application for a well approval on December 17, 2020 and submitted its response to IR No. 1 on February 15, 2021. Paramount's application and the response to IR No. 1 both included an identical abandonment program in which Paramount is proposing to leave the retrievable packer in place and set a permanent bridge plug at approximately 873 mKB, which is greater than 15 meters from the Fantasque perforations.

Section 6A of the Office of the Regulator of Oil and Gas Operations (OROGO) *Well Suspension and Abandonment Guidelines and Interpretation Notes* (Guidelines) requires a permanent bridge plug to be set within 15 meters of the top of a perforation.

The abandonment program does not include steps to attempt removal of the retrievable packer at 882.3 mKB, which would allow for the bridge plug to be set within 15 meters of the perforations.

Additionally, Paramount's IR No. 1 cover letter summarizes a proposed abandonment program that includes the use of a tubing plug and packer, topped with cement, to abandon the Fantasque perforations. This proposed abandonment method was not reflected in the abandonment program steps included with IR No. 1.

Section 5B of the Guidelines prohibits the use of a packer and tubing plug during abandonment operations.

Section 6A of the Guidelines identifies the downhole abandonment requirements, which include the placement of a pressure tested permanent bridge plug placed within 15 meters of the perforations with a 15 meter circulated cement plug on top.

Request:

Please submit an updated abandonment program that includes:

- Steps to remove the Baker 'M' Retrievable Packer at 882.3 mKB and the setting and pressure testing of a bridge plug within 15 meters of the top of the Fantasque perforations;
- Alternate program steps to complete the abandonment in the event that the attempts to remove the Baker 'M' Retrievable Packer at 882.3 mKB are not successful. This may require Paramount to request an exemption for the placement of the permanent bridge plug greater than 15 meters from the top of the Fantasque perforations; and
- Abandonment program steps that meet the requirements of Sections 5B and 6A of the Guidelines (E.g. placement of pressure tested permanent bridge plug within 15 meters of the perforations).