



NWT OFFICE OF THE REGULATOR OF OIL AND GAS OPERATIONS

Office of the Regulator of Oil and Gas Operations

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Angie Stastook
Specialist Asset Liability & EGS
Prairie Provident Resources Canada Ltd.
SUITE 1100, 640 - 5th AVE SW
CALGARY AB T2P 3G4

February 14, 2022

Dear Angie Stastook:

Decision: Request for a Variation to ACW-2021-PPR-2K-02-WID1993 Variation #2

On February 13, 2022, the Office of the Regulator of Oil and Gas Operations (OROGO) received a request to vary ACW-2021-PPR-2K-02-WID1993, variation #2 from Prairie Provident Resources Canada Ltd. (Prairie Provident). Prairie Provident is requesting a variation to the well abandonment program for the Mount Coty 2K-02 (WID1993) well.

The Regulator, designated under section 121 of the *Oil and Gas Operations Act* (OGOA), may issue an Operations Authorization under section 10(1) of that act, subject to any Well Approvals that the Regulator may require under section 10(4) of OGOA. The Regulator may vary the terms of an Operations Authorization under section 10(6) of OGOA, including the terms of a Well Approval. On August 2, 2020, the Commissioner in Executive Council designated me as the Regulator under section 121 of OGOA.

I have reviewed Prairie Provident's description of its proposed activity and find that the updated well abandonment program demonstrates that this activity will be conducted safely, without waste and without pollution, in compliance with the *Oil and Gas Drilling and Production Regulations*.

However, Section 6A – Downhole Abandonment Requirements of the *Well Suspension and Abandonment Guidelines and Interpretation Notes* (Guidelines) requires the setting of a permanent bridge plug topped with 15 meters of circulated cement. Prairie Provident proposed an approximately 344 meter cement plug (from 4,544 mKB to 4,200 mKB) above the permanent packer and a bridge plug with a 30 meter cement plug at 999 mKB, as the production tubing could not be removed from the wellbore.

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Therefore, Prairie Provident's application for an amendment is approved, subject to the terms contained in the attached Well Approval. I also approve an exemption from the requirement to set a permanent bridge plug topped with 15 meters of circulated cement established in the Guidelines.

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

Sincerely,



Pauline de Jong
Regulator

Encl. Well Approval ACW-2021-PPR-2K-02-WID1993, variation #3

c. Clive Mountford, Chief Engineer, Vertex Resource Group Ltd.

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 #
Prairie Provident Resources Canada Ltd.	NWT-OL-2017-001
Responsible Officer and Title	
Angie Stastook, Specialist Asset Liability & EGS	


to proceed with the works and activities described in its April 30, 2021 application and subsequent submissions for

Type of Work	Settlement Area or Region
Well abandonment	Dehcho
Scope of Work	
Abandonment of the Mount Coty 2K-02 well (WID 1993)	

This approval, originally issued on December 20, 2021, has been varied by the Regulator or its delegate under Section 10 of the *Oil and Gas Operations Act*.

This approval is granted under Operations Authorization OA-2021-001-PPR and expires on November 1, 2023.

Dated at Yellowknife, Northwest Territories on February 14, 2022.

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

ADDITIONAL TERMS

1. Prairie Provident Resources Canada 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. Prairie Provident Resources Canada 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. Prairie Provident Resources Canada 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 April 30, 2021, request for variation to this well approval received February 13, 2022 and subsequent submissions.
4. Prairie Provident Resources Canada Ltd. shall request approval from the Regulator prior to undertaking any change to or deviation from the authorized work or activities or enacting the contingency steps, commencing on step 19 of the February 13, 2022 updated well abandonment program, including but not limited to key personnel, the safety plan, the environmental protection plan and contingency plans.
5. Prairie Provident Resources Canada 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.
6. Prairie Provident Resources Canada Ltd. shall notify OROGO at least 10 days prior to the start of well abandonment operations.
7. Prairie Provident Resources Canada 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.
8. Prairie Provident Resources Canada Ltd. shall submit to OROGO an updated operator contact list for this program prior to any work or activity.
9. Prairie Provident Resources Canada Ltd. shall submit to OROGO a completed Change of Well Status form and a Well Operations Report 30 days after the service rig release date or when the operation has been successfully completed.

10. Pursuant to section 67 of the *Oil and Gas Drilling and Production Regulations*, Prairie Provident Resources Canada Ltd. is approved to conduct controlled venting and flaring as part of well kill operations. Venting is approved utilizing separator packages and/or flare stacks to a maximum daily flow rate of 30 E3m³/day for a maximum daily duration of 4.0 hours per day and flaring is approved utilizing separator packages and/or flare stacks to a maximum daily flow rate of 30 E3m³/day and maximum daily duration of 4.0 hours per day. Prairie Provident Resources Canada Ltd. shall include the volume and composition of any amount of flared and/or vented gas in its daily report to OROGO. Flaring and/or venting of any volume, daily volume rate and/or duration greater than the approved maximum daily flow shall be reported to OROGO as an incident under section 75 of the *Oil and Gas Drilling and Production Regulations*.
11. Prairie Provident Resources Canada Ltd. shall include in the daily reports the detailed process used for staged circulation of the wellbore outlined in step 23. This will include shut-in of the casing and/or tubing annulus, placement of tubing packers, openings in tubing used to circulate out the casing anulus and volumes of freshwater used at each stage.
12. Prairie Provident Resources Canada Ltd. shall notify OROGO of and demonstrate, to the satisfaction of the Regulator, the results of the pressure test of the cement plug outlined in Step 26 prior to requesting to cut, cap and surface abandon the well.
13. Prairie Provident Resources Canada Ltd. shall notify OROGO of and demonstrate, to the satisfaction of the Regulator, the results of the pressure test of the bridge plug outlined in Step 28 prior to requesting to cut, cap and surface abandon the well.
14. Prairie Provident Resources Canada Ltd. shall notify OROGO of and demonstrate, to the satisfaction of the Regulator, the location of the cement top prior to requesting to cut, cap and surface abandon the well. Notification must include the results and interpretation of the completed radial cement bond log outlined in Step 29.
15. Prairie Provident Resources Canada shall provide a well bore cap and installation design to OROGO for approval prior to executing step 4 of the surface abandonment.
16. Prairie Provident Resources Canada shall conduct gas migration testing and wellbore testing during summer months (July-September) in 2022 and 2023. The test results must be submitted to OROGO within 30 days of their completion. Until both rounds of testing are complete and showing no signs of gas migration or gas within the wellbore from a thermogenic formation, this well will remain classified as suspended.