



NWT OFFICE OF THE REGULATOR OF OIL AND GAS OPERATIONS

Office of the Regulator of Oil and Gas Operations

P.O. Box 1320, Yellowknife, NT X1A 2L9

Tel: 867-767-9097 • Fax: 867-920-0798 • Web: www.orogo.gov.nt.ca

Courier Address: 4th floor, 5201 – 50th Avenue, Yellowknife, NT X1A 3S9

Angie Stastook
Specialist Asset Liability & ESG
Prairie Provident Resources Canada Ltd.
1110, 640 – 5 AVE SW
CALGARY AB T2P 3G4

August 11, 2023

Dear Angie Stastook:

Decision: ACW-2021-PPR-L-68-WID1207 variation #4

On August 10, 2023, the Office of the Regulator of Oil and Gas Operations (OROGO) received an application from Prairie Provident Resources Canada Ltd. (PPR) to vary ACW-2021-PPR-L-68-WID1207 for the abandonment of the South Pointed Mountain L-68 well (WID1207). PPR is requesting a change to the wellbore abandonment program in response to the significant bottomhole pressures discovered since the start of operations.

Prior to receiving the request for variation, on August 9, 2023, OROGO also received an update from PPR providing details of the bottomhole pressures and an initial outline of the options PPR was considering for the abandonment program.

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.

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PPR's proposed approach includes a single cement squeeze to isolate two formations intersected by the well (the Exshaw and Muskwa formations). This approach does not provide the same level of confidence in the isolation of these formations as the original abandonment program. However, the significant bottomhole pressures on the well increase the safety risk for the crew completing the abandonment, and minimizing the amount of time the crew spends on the well is therefore appropriate. I am satisfied that the proposed approach represents a reasonable balance between the requirement to isolate the Exshaw and Muskwa formations and the requirement to protect human safety.

Therefore, PPR's application for a variation is approved, subject to the terms contained in the attached Well Approval.

PPR 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-L-68-WID1207 variation 4

- c. Jeremy Sadleir, Yellowstone Resources
Shawn Tivadar, Yellowstone Resources

WELL APPROVAL

Subject to the terms listed below, well approval **ACW-2021-PPR-L-68-WID1207 variation #4** 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

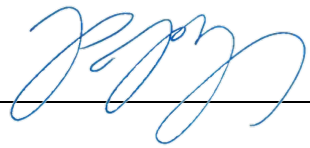
Company Name	Operating Licence #
Prairie Provident Resources Canada Ltd.	NWT-OL-2017-001
Responsible Officer	Operations Authorization #
Angie Stastook, Specialist Asset Liability & ESG	OA-2021-001-PPR

for

Well Name and Well ID#	
South Pointed Mountain L-68 (WID1207)	
Type of Work	Region
Abandonment	Dehcho

This approval, originally issued on January 11, 2022, has been varied by the Regulator or its delegate under Section 10(6) of the *Oil and Gas Operations Act*.

This approval expires on **November 1, 2023**.

Issued at	Issued on
Yellowknife, Northwest Territories	August 11, 2023
Issued by	Signature
Pauline de Jong, Regulator	

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. is granted an exception from the requirement to set a bridge plug within 15 meters of perforations, as required by Section 6A, Downhole Abandonment Requirements of the *Well Suspension and Abandonment Guidelines and Interpretation Notes*.
4. 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 received August 10, 2023, and subsequent submissions.
5. 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, including but not limited to key personnel, the safety plan, the environmental protection plan and contingency plans.
6. 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.
7. Prairie Provident Resources Canada Ltd. shall notify OROGO at least 10 days prior to the start of well abandonment operations.
8. 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.
9. Prairie Provident Resources Canada Ltd. shall submit to OROGO an updated operator contact list for this program prior to any work or activity.
10. Prairie Provident Resources Canada Ltd. shall submit to OROGO a Daily Report outlining all activities undertaken for each day of the operation under this well approval no later than 10:00 a.m. the following day.
11. 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.
12. Prairie Provident Resources Canada Ltd. shall submit to OROGO an updated Wellbore Abandonment Program with correct surface casing vent flow remediation steps referred to in Step 25 by 08:30 on Monday, August 14, 2023.

13. 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 completion of wellbore and surface abandonment. Notification must include the results and interpretation of the completed noise/temp log and cement bond log as outlined in Step 16 of the Wellbore Abandonment Program.
14. 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*.