



NWT OFFICE OF THE REGULATOR OF OIL AND GAS OPERATIONS

Office of the Regulator of Oil and Gas Operations

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Ryan E. Rawlyk
President & Chief Executive Officer
Prairie Provident Resources Canada Ltd.
1100, 640 – 5 AVE SW
CALGARY AB T2P 3G4

September 16, 2024

Dear Ryan Rawlyk:

Notice of Non-Compliance: Failure to Abandon the South Pointed Mountain L-68 Well by September 15, 2024 (ACW-2021-PPR-L-68-WID1207)

On August 2, 2020, I was designated as Regulator by the Commissioner in Executive Council pursuant to section 121 of the *Oil and Gas Operations Act* (OGOA), through Regulator Designation Order R-111-2020. I am currently the Regulator.

Prairie Provident Resources Canada Ltd. (PPR) owns the South Pointed Mountain L-68 well (WID1207) (the well) near Fort Liard, Northwest Territories. PPR holds an Operations Authorization (OA-2021-001-PPR) and well approval (ACW-2021-PPR-L-68-WID1207) for the abandonment of the well.

The abandonment deadline for the well was established in August 2017, after the *Well Suspension and Abandonment Guidelines and Interpretation Notes* (Guidelines) were issued by the Regulator under section 18 of OGOA, effective February 1, 2017. The abandonment deadline was set at January 31, 2023, if the well was not brought into production. This deadline was communicated to PPR on August 31, 2017, May 31, 2019, and July 29, 2020.

On October 21, 2020, the status of the well was changed to non-compliant suspended, based on a Well Inspection Report submitted by PPR on September 11, 2020. At that time, the deadline for bringing the well back into compliance with the Guidelines, either by repairing and re-suspending the well or by repairing and abandoning it, was set at April 1, 2022.

On December 2, 2021, I approved a deferral of well abandonment operations to the 2022/23 winter operating season due to the COVID-19 pandemic.

On December 14, 2022, I approved an extension of the abandonment deadline for the well to September 15, 2023.

On September 5, 2023, I approved an extension of the abandonment deadline for the well to September 15, 2024.

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On February 5, 2024, PPR applied for an extension of the abandonment deadline to summer 2026. This application was denied.

On July 17, 2024, PPR applied for an extension of the abandonment deadline to March 30, 2025. This application was denied.

It is now September 16, 2024. PPR has not completed the abandonment of the well as directed despite multiple extensions.

Therefore, I give notice that Prairie Provident Resources Canada Ltd. is non-compliant with the Regulator's direction to abandon the South Pointed Mountain L-68 well (WID1207) by September 15, 2024.

Failure to comply with the direction of the Regulator may result in further enforcement activity, up to and including an order by the Regulator under section 20 of OGOA.

Sincerely,



Pauline de Jong
Regulator

c. Angie Stastook, Specialist Asset Liability and ESG, PPR