



NWT OFFICE OF THE REGULATOR OF OIL AND GAS OPERATIONS

Office of the Regulator of Oil and Gas Operations

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Ken Nikiforuk, Operations Consultant
Strategic Oil and Gas Ltd.
C/O Alvarez & Marsal Canada ULC
SUITE 1100, 250 - 6th AVE SW
CALGARY AB T2P 3H7

July 16, 2021

Dear Ken Nikiforuk:

Decision:

Abandonment of the Cameron C-16 Well (ACW-2021-SOG-C-16-WID 2001)

On June 1, 2021, the Office of the Regulator of Oil and Gas Operations (OROGO) received a complete application from Strategic Oil and Gas Ltd. (Strategic) for the abandonment of the Cameron C-16 (WID 2001) well.

Strategic also filed additional information with OROGO in response to Information Request No. 1, received on June 28, 2021.

The Regulator designated under section 121 of the *Oil and Gas Operations Act* (OGOA) may issue a Well Approval under section 10(4) of that act. On August 2, 2020, the Commissioner in Executive Council designated me as the Regulator under section 121 of OGOA.

I have reviewed Strategic's description of its proposed activity and find that the application demonstrates that this activity will be conducted safely, without waste and without pollution, in compliance with the *Oil and Gas Drilling and Production Regulations*. Therefore, Strategic's application is approved, subject to the terms contained in the attached Well Approval.

Strategic Oil and Gas Ltd. is required to consolidate the updates to its well abandonment program submitted throughout the Information Request process into one document and submit it to OROGO no later than August 9, 2021.

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

Sincerely,

A handwritten signature in blue ink, appearing to read 'Pauline de Jong', is written over the typed name.

Pauline de Jong
Regulator

Encl. ACW-2021-SOG-C-16-WID 2001

c. Duncan MacRae, Director, Alvarez & Marsal Canada ULC

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 #
Strategic Oil and Gas Ltd.	NWT-OL-2014-007
Responsible Officer and Title	
Ken Nikiforuk, Operations Consultant	

to proceed with the works and activities described in its June 1, 2021 application and subsequent submissions for

Type of Work	Settlement Area or Region
Well abandonment	
Scope of Work	
Abandonment of the Cameron C-16 (WID 2001) well	
South Slave	

This approval is granted under Operations Authorization OA-2018-003-SOG and expires November 1, 2023.

Dated at Yellowknife, Northwest Territories on July 16, 2021.

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

ADDITIONAL TERMS

1. Strategic Oil and Gas 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. Strategic Oil and Gas 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. Strategic Oil and Gas 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 May 31, 2021.
4. Strategic Oil and Gas 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.
5. Strategic Oil and Gas 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. Strategic Oil and Gas Ltd. shall notify OROGO at least 10 days prior to the start of well abandonment operations.
7. Strategic Oil and Gas 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. Strategic Oil and Gas Ltd. shall submit to OROGO an updated operator contact list for this program prior to any work or activity.
9. Strategic Oil and Gas Ltd. shall submit to OROGO a completed Change of Well Status form 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*, Strategic Oil and Gas Ltd. is approved to conduct controlled venting and/or flaring of gas as part of well kill operations at a maximum daily flow rate of $2.7 \times 10^3 \text{ m}^3/\text{day}$ for a maximum daily duration of 4.0 hours per day. Strategic Oil and Gas Ltd. shall include the volume, flow rate and composition of any amount of vented gas in its daily report to OROGO. Flaring and/or venting of any volume, daily flow 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. Strategic Oil and Gas Ltd. shall notify OROGO of and demonstrate, to the satisfaction of the Regulator, the location of the cement top prior to commencing remedial cementing, as outlined in Steps 44 through 59 of the Wellbore Abandonment Program. Notification must include the results and interpretation of the completed radial cement bond log as outlined in Step 42 of the Wellbore Abandonment Program.
12. Strategic Oil and Gas Ltd. is required to ensure sufficient fluid is readily available on site to ensure the well can be killed in the event of uncontrolled pressure release during the removal of the tubing plug at 97 mKB (Steps 19-22).
13. Strategic Oil and Gas Ltd. is required to adhere to the following requirements when conducting removal operations of the tubing plug at 97mkb (Steps 19-22):
 - i. Identifying hazards and mitigations if pressure is found;
 - ii. Reviewing blow out preventer and evacuation procedures;
 - iii. Inspecting and securing the rig, hoses and other equipment that may encounter pressures from the wellbore;
 - iv. Identifying danger zones and ensuring only essential staff are present and safely positioned to avoid the identified potential hazards in the immediate work area during the milling operations;
 - v. Alerting the medic to be on standby and ensuring they are present for all steps above; and
 - vi. Submitting the following information to OROGO at orogo@gov.nt.ca:
 - A record of the risk assessment and hazard analysis for the operation, as described above, no less than an hour before removal operations begin; and
 - A summary of the operations related to the removal of the tubing plug at 97 mKB within an hour of completion of removal operations.