



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.oro.go.gov.nt.ca

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

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

November 26, 2021

Dear Ken Nikiforuk:

**Information Request No. 1: Application to Abandon
the Cameron F-77 Well (ACW-2021-SOG-F-77-WID2065)**

On May 27, 2021 the Office of the Regulator of Oil and Gas Operations (OROGO) received a complete application for a Well Approval from Strategic Oil and Gas Ltd. (Strategic) for the abandonment of the Cameron F-77 well (WID 2065). ACW-2021-SOG-F-77-WID2065 was issued on June 7, 2021.

OROGO requires additional information to complete a variation to ACW-2021-SOG-F-77-WID2065, as set out in the attached Information Request No. 1.

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 p.m. on December 3, 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. 1

c Duncan MacRae, Director, Alvarez & Marsal Canada ULC

Strategic Oil and Gas Ltd.
Approval to Alter the Condition of a Well
Cameron F-77 Well (ACW-2021-SOG-F-77-WID2065)
Information Request # 1

1.1 Wellbore Abandonment Options

Preamble:

The abandonment program submitted by Strategic Oil and Gas Ltd. (Strategic) on May 27, 2021 for the Cameron F-77 well has been reviewed and requires further assessment and information to determine the best method and approach for abandonment of the well.

This well contains the J55 production casing, known to be prone to failure as a result of sulphide stress cracking and embrittlement at the ERW (Electric Resistance Welding) seam from H₂S exposure. The presence of the J55 production casing in the Cameron F-77 well raises challenges for the successful abandonment of the well, as the setting and testing of bridge plugs requires pressurizing the casing in isolated zones both to set and to test each plug. The repeated pressurization, over a relatively short piece of the production casing, may put stress on the ERW seam and, if it is embrittled, cause casing failure. It is understood that the casing above 1,360 mKB was only exposed to H₂S for approximately 2 weeks, after which the well was suspended

OROGO's technical review team has determined that the following abandonment option could be used as a contingency in the event that a pressure test of the existing bridge plug and cement cap is unsuccessful:

- It is recommended to drill out the cement and bridge plug (1,360 mKB) and conduct a retainer cement squeeze on the Sulphur Point perforated interval to repair any casing failures and minimize further expose to H₂S. Once complete, zonal abandonment operations as outlined in the *Well Suspension and Abandonment Guidelines and Interpretation Notes* can be conducted.

Request:

Please consider the proposed zonal abandonment option above and provide an assessment of which abandonment approach, in Strategic's view, is the most robust and appropriate option to abandon the F-77 well.

The assessment should include:

- Comparison of the proposed approach (above) to the abandonment program detailed in Strategic's May 27, 2021 submission; and
- A rationale supporting the option Strategic believes is achievable and ensures, to the greatest extent possible, public and operational safety and environmental protection.