



July 26, 2022

Pauline de Jong
Regulator
Office of the Regulator of Oil and Gas Operations
PO Box 1320, Yellowknife, NT X1A 2L9
orogo@gov.nt.ca

Dear Pauline de Jong:

RE: Cameron L-29 Well Inspection Plan – OA-2018-003-SOG

On January 28, 2020, the Court of Queen’s Bench of Alberta granted an Order pursuant to section 243 of the Bankruptcy and Insolvency Act, R.S.C. 1985, c. B-3 and section 13(2) of the Judicature Act, RSA 2000, c.J-2, whereby Alvarez and Marsal Canada Inc. (the “**NWT Receiver**”) was appointed Receiver, without security, of all of Strategic Oil and Gas Ltd. and Strategic Transmission Ltd. current and future assets, undertakings and properties of every nature and kind whatsoever situated in the Northwest Territories, including all proceeds thereof and including, without limited in the generality of the foregoing, any letters of credit issued in respect of assets situated in the Northwest Territories (the “**NWT Property**”). For further information, please visit the NWT Receiver’s website at: www.alvarezandmarsal.com/sog.

On December 17, 2021, the NWT Receiver provided a gas migration testing report to the Office of the Regulator of Oil and Gas Operations (“**OROGO**”), for the Cameron L-29 well (WID 2041). The report detailed the results of surface casing vent flow and gas migration tests completed during a well inspection on October 30, 2021. OROGO reviewed the gas migration testing report and determined that the gas migration testing method used was compliant with the requirements of section 4A of the Guidelines.

Well Inspection Plan

In order to fully assess and plan the well inspection, accumulated soil gas samples will need to be obtained over a couple days, which would allow the fingerprinting of the migrating gas. This would have to be completed in frost free months. The NWT Receiver will notify OROGO at least 10 days prior to conducting the well inspection(s).

On March 9, 2022, The NWT Receiver provided OROGO with an intended timeframe between July 1-31, 2022 to perform the following requirements:

- Complete a well inspection that meets the requirements of sections 4 and 5 of the Guidelines and will include:
 - Surface Casing Vent Flow bubble test;
 - Determination of stabilized shut in surface casing vent pressure;
 - Continuous Surface Casing Vent Flow monitoring for a period of at least 48 hours to determine rate of flow;
 - Surface Casing Vent Flow gas sampling;

- Non-intrusive methane (CH₄) surface soil scan;
- Vapour intrusion borehole testing and gas sampling;
- Non-intrusive surface enclosed soil vapour FLUX chamber test and gas sampling; and
- Analysis of gas samples, including isotope and offset well analysis, to identify the geological formation source of the gas migration.

Well Inspection Plan – Extension Request

As a result of inaccessibility, the NWT Receiver is requesting an extension, in order to perform the requirements between September 1-15, 2022.

The NWT Receiver will submit a completed Well Inspection Report Form within 45 days of conducting the well inspection(s), which should allow sufficient time to complete analysis of gas samples. The NWT Receiver will remain in communication with OROGO before, during and after the well inspection(s) and will advise OROGO of any delays in submitting the required forms and will perform any additional activities that may be determined in consultation with OROGO.

On or before October 31, 2022, at 4:00 p.m., the NWT Receiver will submit a request for variation for ACW-2021-SOG-L29-WID2041, an updated well abandonment program and supporting documentation compliant with section 6D of the Guidelines.

Should you require anything further, please contact the undersigned at dmacrae@alvarezandmarsal.com.

Yours truly,

**Alvarez & Marsal Canada Inc.,
in its capacity as Receiver of Strategic Oil & Gas Ltd.
and Strategic Transmission Ltd.'s NWT Properties
and not in its personal or corporate capacity**



Duncan MacRae
Vice President

cc: Ken Nikiforuk, NWT Receiver Consultant
Kurt Hewitt, NWT Receiver Consultant