



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

November 5, 2021

Dear Ken Nikiforuk:

Decision: Abandonment of the Cameron N-06 Well (ACW-2021-SOG-N-06-WID2067)

On July 12, 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 N-06 well (WID2067), located in the South Slave Region west of Enterprise, Northwest Territories.

Strategic has provided additional information in response to the following Information Requests:

- Information Request No. 1, received on August 9, 2021;
- Information Request No. 2, received on August 30, 2021; and
- Information Request No.3, received on October 27, 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 must post a copy of the attached Well Approval in a clearly visible location at the work site.

Sincerely,

Pauline de Jong
Regulator

Encl. ACW-2021-SOG-N-06-WID2067
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 July 12, 2021 application and subsequent submissions for

Type of Work	Settlement Area or Region
Well abandonment	
Scope of Work	
Abandonment of the Cameron N-06 (WID 2067) 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 November 5, 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 July 12, 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 2.6×10^3 m³/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 59 through 73 of the Wellbore Abandonment Program. Notification must include the results and interpretation of the completed radial cement bond log as outlined in Step 57 of the Wellbore Abandonment Program.
12. Steps 28-40 of Strategic Oil and Gas Ltd.'s abandonment program, added as a contingency to address a potential casing failure during the abandonment process, do not meet the requirements of Section 6A of the *Well Suspension and Abandonment Guidelines and Interpretation Notes*. If Strategic Oil and Gas Ltd. is required to engage these contingency steps as a result of a casing failure, it is hereby exempt from setting a bridge plug with a minimum of 15 meters of circulated cement and is authorized to abandon the well as described in the October 26, 2021 abandonment program.
13. Strategic Oil and Gas Ltd. must notify OROGO immediately if any of the following contingency steps, identified in the October 26, 2021 abandonment program, are to be utilized:
 - i. Steps 28-40 – Failure of existing bridge plug (1357 mKB) pressure test;
 - ii. Steps 46-48 – Failure of setting a bridge plug at 1272 mKB; and
 - iii. Steps 58-73 – Remedial cementing procedures.