



NWT OFFICE OF THE REGULATOR OF OIL AND GAS OPERATIONS

Office of the Regulator of Oil and Gas Operations

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John Hawkins
Director, Asset Management
MGM Energy
SUITE 2800, 421 – 7 AVE SW
CALGARY AB T2P 4K9

November 18, 2022

Dear John Hawkins:

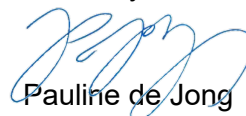
**Information Request No. 1:
Nogha M-17 Well Abandonment (ACW-2022-MGM-M-17-WID1970)**

On August 5, 2022, the Office of the Regulator of Oil and Gas Operations (OROGO) received a complete application to Alter the Condition of a Well (ACW) from MGM Energy (MGM) for the abandonment of the Nogha M-17 well (WID 1970) in the Sahtu Settlement Area.

OROGO has reviewed the information provided by MGM and requires additional information to complete its review of MGM's ACW application, as set out in the attached Information Request No. 1.

Please send your written responses and any associated correspondence to OROGO at oro.go@gov.nt.ca or through OROGO's secure file transfer site, on or before 4:00 pm on December 5, 2022. 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

Information Request No. 1
Nogha M-17 Well Abandonment
ACW-2022-MGM-M-17-WID1970

1.1 Isolation of Perforated Zones

Preamble:

Section 56 of the *Oil and Gas Drilling and Production Regulations* (OGDPR) requires the operator to isolate all oil and gas bearing zones and discrete pressure zones when abandoning a well. Section 6A of the *Well Suspension and Abandonment Guidelines and Interpretation Notes* (Guidelines) states that, for cased hole wells with perforations, the operator must abandon each perforated zone using one of three options (for a Level II well):

- Cement squeeze and cement retainer;
- Cement squeeze and cement / bridge plug; or
- Permanent bridge plug.

The final well completion diagram, dated 2004-03-09, indicates perforations at three different places in the wellbore, corresponding to the Mount Clark “A” and “C” formations and the Mount Cap formation. The proposed well abandonment program does not comply with the requirement to abandon each perforated zone.

Request:

Submit an updated well abandonment program that:

- Complies with section 6A of the Guidelines; or
- Proposes an alternative approach, with rationale, and identify any exemptions required from the Guidelines.

1.2 Shallow Wellbore Plug

Preamble:

Step 16 of the proposed well abandonment program and the “final” well diagram dated 2004-03-09 reference a Camco A-3 plug at 18-20 mCF in the wellbore. Step 15 of the proposed program indicates that MGM intends to pull this plug, along with the slip stop and collar stop, using a slick line unit.

In April 2021, the Chief Safety Officer issued a Safety Bulletin on shallow wellbore plugs (OROGO-SB-01). The Safety Bulletin sets out the requirements for operations on wells with known or suspected shallow wellbore plugs.

MGM's proposed well abandonment program does not reference the Safety Bulletin or describe how MGM plans to mitigate the risks associated with the Camco A-3 plug at 18-20 mCF.

Request:

Submit an updated well abandonment program that either:

- Meets the requirements of OROGO-SB-01;
- Confirms that the shallow plug set around 18-20 mCF can safely be retrieved with slickline and milling out the plug is not required; or
- Proposes an alternative approach, with rationale, to mitigate the risks associated with the removal of the Camco A-3 plug at 18-20 mCF.

1.3 Abandoned Well Marker

Preamble:

The abandoned well marker diagram shown at step 48 of MGM's proposed well abandonment program does not reflect the changes made in the revised *Well Suspension and Abandonment Guidelines and Interpretation Notes* (Guidelines), issued in May 2022.

Request:

Submit an updated abandonment program that includes the abandoned well marker requirements found in section 6E of the May 2022 Guidelines.