



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
Paramount Resources Ltd.
Suite 2800, 421 – 7 AVE SW
CALGARY, AB T2P 4K9

February 15, 2023

Dear John Hawkins:

Inspection: South Arrowhead River C-02 (WID 1857) Well – ACW-2022-PAR-C-02-WID1857

Inspectors Michael Martin, Chief Safety Officer/Chief Conservation Officer, and Brandon Bradbury, Safety Officer/Conservation Officer inspected the abandonment of the South Arrowhead River C-02 (WID1857) well on February 9, 2023.

The inspection was carried out to ensure Paramount Resources Ltd. was adhering to the terms of the Well Approval for this operation (ACW-2022-PAR-C-02-WID1857).

Please see the attached Operations Summary Inspection Report for your reference. This report will be posted to the Office of the Regulator of Oil and Gas Operations' Public Registry at www.oroogo.gov.nt.ca.

If you have any questions, please contact me at (867) 767-9097 or by email at Mike_Martin@gov.nt.ca.

Sincerely,

Michael Martin
Chief Safety Officer
Chief Conservation Officer

Encl. South Arrowhead River C-02 (WID 1857) Operation Summary Inspection Report – February 9th, 2023

- c. Department of Lands, Dehcho Region
Department of Environment and Natural Resources, Dehcho Region
Corey Thompson, Completions Engineer, Paramount Resources Ltd.

OROGO Operations Inspection Summary Report

Well Information

Well name: West Arrowhead C-02

4 digit WID: 1857

Operator: Paramount Resources Ltd

Well status: Suspended

OROGO risk level: Level 2

Shallow wellbore plug? Yes No

24-hour operations? Yes No

Coordinates (In decimal degrees; verified onsite)

Datum: NAD 27 NAD 83 Unknown

Lat: 60° 31' 12.5" N

Long: 123° 01' 15.9" W

Completed in H₂S zone? No

Estimated % of H₂S: 0% or

Measured % of H₂S: 0%

Program step on arrival: 22: Backfill and compact the excavation, clean up lease and rig out and release all services.

Program step on departure: 22: Backfill and compact the excavation, clean up lease and rig out and release all services.

Inspection Date and Contact Information

Date of inspection: February 9th, 2023

Access method: Vehicle

OROGO Inspectors:

- Michael Martin – Chief Safety Officer / Conservation Officer

- Brandon Bradbury – Safety Officer/Conservation Officer

Activity Inspected

OA#: OA-2020-001-PAR

Nature of activity: Abandonment

ACW#: ACW-2022-PAR-C-02-WID 1857

Contractor on site (if applicable): N/A

Name: N/A

Company: N/A

Rig Number: N/A

Phone: N/A

Email: N/A

Inspection Results

Rig Safety

Accumulator function test

- Compliant
 Non-Compliant
 Corrected Non-Compliance

Comments: Rig and associated infrastructure had demobilized at the time of the inspection.

Equipment certifications

- Compliant
 Non-Compliant
 Corrected Non- Compliance

Comments: Rig and associated infrastructure had demobilized at the time of the inspection.

Version: August 23, 2022

Authorization / Approval available	<input type="checkbox"/> Compliant <input type="checkbox"/> Non-Compliant <input type="checkbox"/> Corrected Non- Compliance	Comments: Rig and associated infrastructure had demobilized at the time of the inspection.
Boiler inspection	<input type="checkbox"/> Compliant <input type="checkbox"/> Non-Compliant <input type="checkbox"/> Corrected Non-Compliance	Comments: Rig and associated infrastructure had demobilized at the time of the inspection.
Guards and covers on moving equipment	<input type="checkbox"/> Compliant <input type="checkbox"/> Non-Compliant <input type="checkbox"/> Corrected Non- Compliance	Comments: Rig and associated infrastructure had demobilized at the time of the inspection.
Pump lines and hoses secured, intact and appropriate?	<input type="checkbox"/> Compliant <input type="checkbox"/> Non-Compliant <input type="checkbox"/> Corrected Non- Compliance	Comments: Rig and associated infrastructure had demobilized at the time of the inspection.
Adequate lighting	<input type="checkbox"/> Compliant <input type="checkbox"/> Non-Compliant <input type="checkbox"/> Corrected Non- Compliance	Comments: Rig and associated infrastructure had demobilized at the time of the inspection.
Wind indicators visible and functional	<input type="checkbox"/> Compliant <input type="checkbox"/> Non-Compliant <input type="checkbox"/> Corrected Non- Compliance	Comments: Rig and associated infrastructure had demobilized at the time of the inspection.
Fire extinguishers	<input type="checkbox"/> Compliant <input type="checkbox"/> Non-Compliant <input type="checkbox"/> Corrected Non- Compliance	Comments: Rig and associated infrastructure had demobilized at the time of the inspection.
Equipment spacing	<input type="checkbox"/> Compliant <input type="checkbox"/> Non-Compliant <input type="checkbox"/> Corrected Non- Compliance	Comments: Rig and associated infrastructure had demobilized at the time of the inspection.
Engine kills	<input type="checkbox"/> Compliant <input type="checkbox"/> Non-Compliant <input type="checkbox"/> Corrected Non- Compliance	Comments: Rig and associated infrastructure had demobilized at the time of the inspection.
Sufficient N ₂ back-up?	<input type="checkbox"/> Compliant <input type="checkbox"/> Non-Compliant <input type="checkbox"/> Corrected Non- Compliance	Comments: Rig and associated infrastructure had demobilized at the time of the inspection.
Flow turns	<input type="checkbox"/> Compliant <input type="checkbox"/> Non-Compliant <input type="checkbox"/> Corrected Non- Compliance	Comments: Rig and associated infrastructure had demobilized at the time of the inspection.
General housekeeping	<input type="checkbox"/> Compliant <input type="checkbox"/> Non-Compliant <input type="checkbox"/> Corrected Non- Compliance	Comments: Rig and associated infrastructure had demobilized at the time of the inspection.

Other Rig Safety notes:
N/A

Personnel Safety

Valid safety tickets	<input type="checkbox"/> Compliant	Comments: Rig and associated infrastructure had demobilized at the time of the inspection.
<input type="checkbox"/> First Aid / CPR	<input type="checkbox"/> Non-Compliant	
<input type="checkbox"/> H2S	<input type="checkbox"/> Corrected Non- Compliance	
<input type="checkbox"/> WHIMS		
<input type="checkbox"/> TDG		
<input type="checkbox"/> BOP		
<input type="checkbox"/> Other (specify in comments)		
Safety meetings and documentation	<input type="checkbox"/> Compliant <input type="checkbox"/> Non-Compliant <input type="checkbox"/> Corrected Non- Compliance	Comments: Rig and associated infrastructure had demobilized at the time of the inspection.
SCBAs and/or supplied air available and visible	<input type="checkbox"/> Compliant <input type="checkbox"/> Non-Compliant <input type="checkbox"/> Corrected Non- Compliance	Comments: Rig and associated infrastructure had demobilized at the time of the inspection.
First Aid equipment and EMS on site and accessible	<input type="checkbox"/> Compliant <input type="checkbox"/> Non-Compliant <input type="checkbox"/> Corrected Non- Compliance	Comments: Rig and associated infrastructure had demobilized at the time of the inspection.
Gas detection equipment on site and accessible	<input type="checkbox"/> Compliant <input type="checkbox"/> Non-Compliant <input type="checkbox"/> Corrected Non- Compliance	Comments: Rig and associated infrastructure had demobilized at the time of the inspection.
Communication plans available	<input type="checkbox"/> Compliant <input type="checkbox"/> Non-Compliant <input type="checkbox"/> Corrected Non- Compliance	Comments: Rig and associated infrastructure had demobilized at the time of the inspection.
Hazard identification and signage	<input type="checkbox"/> Compliant <input type="checkbox"/> Non-Compliant <input type="checkbox"/> Corrected Non- Compliance	Comments: Rig and associated infrastructure had demobilized at the time of the inspection.
ERP available upon request	<input type="checkbox"/> Compliant <input type="checkbox"/> Non-Compliant <input type="checkbox"/> Corrected Non- Compliance	Comments: Rig and associated infrastructure had demobilized at the time of the inspection.
Safety Plan available upon request	<input type="checkbox"/> Compliant <input type="checkbox"/> Non-Compliant <input type="checkbox"/> Corrected Non- Compliance	Comments: Rig and associated infrastructure had demobilized at the time of the inspection.
BOP drills and documentation	<input type="checkbox"/> Compliant <input type="checkbox"/> Non-Compliant <input type="checkbox"/> Corrected Non- Compliance	Comments: Rig and associated infrastructure had demobilized at the time of the inspection.
Function tests and documentation	<input type="checkbox"/> Compliant <input type="checkbox"/> Non-Compliant <input type="checkbox"/> Corrected Non- Compliance	Comments: Rig and associated infrastructure had demobilized at the time of the inspection.
Other Personnel Safety notes: N/A		

Blowout Prevention Equipment

BOP certifications	<input type="checkbox"/> Compliant <input type="checkbox"/> Non-Compliant <input type="checkbox"/> Corrected Non- Compliance	Comments: Rig and associated infrastructure had demobilized at the time of the inspection.
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Version: August 23, 2022

BOP pressure rating	<input type="checkbox"/> Compliant <input type="checkbox"/> Non-Compliant <input type="checkbox"/> Corrected Non- Compliance	Comments: Rig and associated infrastructure had demobilized at the time of the inspection.
Kill sheet in dog house	<input type="checkbox"/> Compliant <input type="checkbox"/> Non-Compliant <input type="checkbox"/> Corrected Non- Compliance	Comments: Rig and associated infrastructure had demobilized at the time of the inspection.
Stabbing valves and cross-overs	<input type="checkbox"/> Compliant <input type="checkbox"/> Non-Compliant <input type="checkbox"/> Corrected Non- Compliance	Comments: Rig and associated infrastructure had demobilized at the time of the inspection.
Flow lines and choke lines secured	<input type="checkbox"/> Compliant <input type="checkbox"/> Non-Compliant <input type="checkbox"/> Corrected Non- Compliance	Comments: Rig and associated infrastructure had demobilized at the time of the inspection.
Other Blowout Prevention Equipment notes: N/A		

Specific to Shallow Wellbore Plug (☒ Not Applicable)

Snubbing unit in place	<input type="checkbox"/> Compliant <input type="checkbox"/> Non-Compliant <input type="checkbox"/> Corrected Non- Compliance	Comments: N/A.
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Other Shallow Wellbore Plug notes:
Click or tap here to enter text.

Specific to 24-Hour Operations (☒ Not Applicable)

Cross-over notes	<input type="checkbox"/> Compliant <input type="checkbox"/> Non-Compliant <input type="checkbox"/> Corrected Non- Compliance	Comments: N/A
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Other 24-hour operations notes:
Click or tap here to enter text.

Environment

Rig matting	<input type="checkbox"/> Compliant <input type="checkbox"/> Non-Compliant <input type="checkbox"/> Corrected Non- Compliance	Comments: Rig and associated infrastructure had demobilized at the time of the inspection.
Drip trays	<input type="checkbox"/> Compliant <input type="checkbox"/> Non-Compliant <input type="checkbox"/> Corrected Non- Compliance	Comments: Rig and associated infrastructure had demobilized at the time of the inspection.
Materials handling and storage	<input type="checkbox"/> Compliant <input type="checkbox"/> Non-Compliant <input type="checkbox"/> Corrected Non- Compliance	Comments: Rig and associated infrastructure had demobilized at the time of the inspection.
Spill response equipment on site and accessible	<input type="checkbox"/> Compliant <input type="checkbox"/> Non-Compliant <input type="checkbox"/> Corrected Non- Compliance	Comments: Rig and associated infrastructure had demobilized at the time of the inspection.
Tubing laydown area protection	<input type="checkbox"/> Compliant <input type="checkbox"/> Non-Compliant <input type="checkbox"/> Corrected Non- Compliance	Comments: Rig and associated infrastructure had demobilized at the time of the inspection.

Other Environment notes:

Safety Plan

Compliant? Yes No

Comments: Rig and associated infrastructure had demobilized at the time of the inspection.

Environmental Protection Plan

Compliant? Yes No

Comments: Rig and associated infrastructure had demobilized at the time of the inspection.

Emergency Response (Contingency) Plan

Compliant? Yes No

Comments: Rig and associated infrastructure had demobilized at the time of the inspection.

Authorization and Approvals

Following program as approved? Yes No

Comments: Rig and associated infrastructure had demobilized at the time of the inspection.

Meeting all conditions? Yes No

Comments: Rig and associated infrastructure had demobilized at the time of the inspection.

Other Documents Requested / Received During Inspection

Details: N/A

Photographs

Number of photographs attached: 2

Additional Comments / Observations

The well abandonment sign is compliant with the Well Suspension and *Abandonment Guidelines and Interpretation Notes* (Photo #1).

The lease site has remaining equipment staged for demobilization. In discussion with operators on site, this equipment has been staged there temporarily by the other operator in the area. Please ensure the other operator has demobilized this equipment from the site prior to closure of the winter road in 2023.

Overall, there were no major concerns noted during the inspection and the Inspectors were pleased with the well abandonment operation.

This inspection was conducted under the *Oil and Gas Operations Act* and associated regulations.

Name: Michael Martin
Designation: Chief Safety Officer

Date: 2023-02-15

Signature:



Name: Brandon Bradbury
Designation: Safety Officer

Date: 2023-02-15

Signature:





PHOTO #1: Well abandonment sign.



PHOTO #2: Equipment staged on the C-02 lease site by other operator in the area for demobilization.