



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

August 2, 2022

Dear John Hawkins:

Monitoring and Inspection of the SW Arrowhead O-15 well (WID1834)

On June 24, 2022, I issued direction to Paramount Resources Ltd. (Paramount) about missing components of the inspection and monitoring plan for the SW Arrowhead O-15 well (WID1834). On July 15, 2022, I approved Paramount's request for an extension to the deadline for providing the missing information to July 26, 2022. On July 26, 2022, Paramount emailed the Office of the Regulator of Oil and Gas Operations (OROGO) stating it believes the direction had been met during the OROGO inspection of the site.

After discussion with the OROGO inspector who conducted the SW Arrowhead O-15 site inspection, the status of some components of the monitoring and inspection plan requires confirmation. Please confirm whether the following components have been addressed and, if not, when they will be completed:

1. Installation of a continuous surface casing vent (SCV) monitoring device and data recorder for a period of at least 30 days to assess surface casing vent flow (SCVF);
2. SCVF testing procedures that meet the requirements of section 4B of the *Well Suspension and Abandonment Guidelines and Interpretation Notes* (Guidelines) for determination of stabilized shut-in surface casing pressure;
3. Testing procedures to conduct a well integrity test by pressure testing the casing to 7000 kPa for 10 minutes; and
4. A second well inspection 30 days following completion of the first well inspection that includes:
 - a. Verification of casing pressures at the wellhead and collection and analysis of any gas produced;
 - b. Data collection from the SCV monitor; and
 - c. Collection and analysis of any gas produced from the SCV.

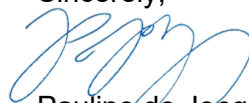
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Please provide this information to OROGO at orogo@gov.nt.ca by August 10, 2022. If you are unable to respond within this timeframe or have any questions, please contact OROGO at 867-767-9097 or by email at orogo@gov.nt.ca.

Please also note that a completed Well Inspection Report Form is due to OROGO within 30 days of completion of a well inspection.

Sincerely,



Pauline de Jong
Regulator