



November 14, 2022

OROGO

Department of Industry, Tourism and Investment

Government of the Northwest Territories

P.O. Box 1320

Yellowknife NT

X1A 2L9

Canada

Attn: Ms. Pauline de Jong
Regulator

Re: Follow up Inspection of the SW Arrowhead O-15 well (WID1834)

Further to your letter of August 2, 2022 and my email of August 23 regarding the above well and the related inspections.

Attached is a summary of the well inspections completed on 2022-07-22 and on 2011-08-24 and supporting data. Below are the items addressed in the above letter.

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);

A 24-hour surface casing vent monitoring device and data recorder was installed at the O-15 well on July 21st, 2022. No surface casing vent flow detected. As per Mr. Heppelle's onsite guidance the recorder was reset for 30 days and retrieved August 24, 2022. A maximum of 7 kPa shut-in pressure was observed. A copy of the recording from July 21 to August 21, 2022, was previously submitted to OROGO. A total of 32 days of data was recorded, meeting the 30-day surface casing vent monitoring and recording requirement above. No surface vent flow was detected.

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;

The surface casing testing procedure conducted on July 22, 2022, meets the requirements of section 4B of the *Well Suspension and Abandonment Guidelines and Interpretation Notes* (Guidelines) as observed by Mr. Heppelle. No surface casing vent flow (SCVF) was detected. The test was performed again when the recorder was retrieved (as above) August 24, 2022. Again, no SCVF was detected.

3. Testing procedures to conduct a well integrity test by pressure testing the casing to 7000 kPa for 10 minutes

The well (production casing) was pressure tested with fresh water to 7.78 MPa for 15 minutes on July 23rd, 2022. There was no discernable drop in pressure and the report was previously submitted to OROGO.

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.

As per the previously submitted report:

- a. Casing pressures were recorded a second time. As anticipated, the production casing and intermediate casing pressures were 0 kPa. There is no tubing in the hole. No gas was produced and thus no samples were taken or analyzed.
- b. As per 1. above, the SCV monitor was recovered and the data collected.
- c. As per 1. and 2. above, no gas was produced from the SCV and thus no samples were taken or analyzed

Should you require additional information regarding this application and project please contact me.

Regards,



John Hawkins, P. Eng.
Director Asset Management
Paramount Resources Ltd.