



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

June 15, 2022

Dear Ken Nikiforuk:

Decision:

Abandonment of the Cameron J-04 Well (ACW-2022-SOG-J-04-WID2034)

On June 3, 2022, the Office of the Regulator of Oil and Gas Operations (OROGO) received a complete application from Alvarez and Marsal Canada Inc., receivers for Strategic Oil and Gas Ltd. (Strategic), for the abandonment of the Cameron J-04 well (WID2034).

On June 14, 2022, OROGO received Strategic's response to Information Request No. 1 for this application.

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-2022-SOG-J-04-WID2034

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

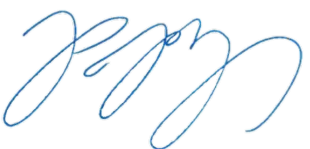
Company Name	Company Operating Licence #
Strategic Oil and Gas Ltd.	NWT-OL-2014-007
Responsible Officer and Title	
Ken Nikiforuk, Operations Consultant	

to proceed with the works and activities described in its June 3, 2022, application and subsequent submissions for

Type of Work	Settlement Area or Region
Well abandonment	
Scope of Work	
Abandonment of the Cameron J-04 (WID2034) 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 June 15, 2022.

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 June 3, 2022, and subsequent submissions.
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.
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. Strategic Oil and Gas Ltd. shall complete pre-abandonment gas migration (GM) testing between July and September 2022, as described in section 4A of the *Well Suspension and Abandonment Guidelines and Interpretation Notes*. Strategic Oil and Gas Ltd. shall notify OROGO at least 10 days prior to conducting GM testing and submit a report of the GM testing results to the Regulator within 30 days of conducting the testing. Should analysis of the methane be required to determine the thermogenic source, Strategic Oil and Gas Ltd. must notify OROGO with an anticipated timeframe to submit the analytical results.

11. 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 2.8×10^3 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*.
12. 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 completion of wellbore and surface abandonment. Notification must include the results and interpretation of the completed radial cement bond log as outlined in Step 13 of the Wellbore Abandonment Program.
13. 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 18 through 46 of the Wellbore Abandonment Program. Notification must include the results and interpretation of the completed radial cement bond log as outlined in Step 13 of the Wellbore Abandonment Program, including proof of ground water isolation as required by section 6B of the *Well Suspension and Abandonment Guidelines and Interpretation Notes*.
14. Strategic Oil and Gas Ltd. shall notify the Regulator of each interval targeted for remedial cementing prior to perforation by sending an email to orogo@gov.nt.ca that includes the depth and anticipated time frame operations will occur. Following completion of each remedial cementing interval, Strategic Oil and Gas Ltd must include detailed results on the operations including feed rate and cement volume.