Version: June 30, 2022



Well Inspection Report

Instructions

- · Complete all pages.
- Sign and submit electronically within 30 days of the well inspection to <u>orogo@gov.nt.ca</u>.
- If you wish to submit a hard copy, please use the courier address at www.orogo.gov.nt.ca/contact-us.
- Refer to the <u>Well Suspension and</u>
 <u>Abandonment Guidelines and Interpretation</u>
 <u>Notes</u> (May 2022) for details on well inspection requirements.
- Report in metric units.

Required attachments

- Photos of wellhead and well site (Include descriptions)
 # of photos attached: 4 (in GCHEM Report)

Well Information

Operator: Alvarez & Marsal Canada Inc., in its capacity as receiver of Strategic Oil & Gas's NWT Property Well status: Suspended				
Coordinates (In decimal degrees; verified onsite) Datum: □ NAD 27 □ NAD 83 □ Unknown Lat: Not Taken Long: Not Taken				
Completed in H ₂ S zone? Yes ⊠ Estimated % of H ₂ S: ~2 or □ Measured % of H ₂ S: 0				

Inspection Date and Contact Information

Date of inspection: 2022-09-15 Inspection conducted by:

Date of previous inspection: Unknown

Name: Brad Johnson
Company: G-Chem

Email: brad.johnson@gchem.ca

Phone: 780-808-1927

Environmental or Safety Concerns

(Report all incidents as required under section 75 of the Oil and Gas Drilling and Production Regulations)

Environmental or safety concerns? ☐ Yes ☒ No If yes, provide details: Click or tap here to enter text.



Version: June 30, 2022

Inspection Results

	Site	
	Well site accessible for inspection and monitoring? ⊠ Yes □ No	Brush cleared 25 m around wellhead? ⊠ Yes □ No
	Equipment or debris on site? \square Yes \boxtimes No	Wind indicator present and functional? ☐ Yes ☒ No
	Additional clean up required? \square Yes \boxtimes No	
,	Provide details of all site accessibility concerns: This access roads only. Year round access by Helicopter Wellhead	
	Wellhead accessible for inspection and monitoring? ⊠ Yes □ No	Surface casing vent open, operable and accessible in all seasons? ⊠ Yes □ No
	Valves chained and locked? $oxtimes$ Yes $oxtimes$ No	Pumpjack secure? □ Yes □ No ⊠ N/A
	Valves operate freely? ⊠ Yes □ No	Visible marker or fence in place? ⊠ Yes □ No 4-digit Well ID, operator and contact information up to date? ⊠ Yes □ No
	Pressure test well head seal assembly? ☐ Yes ☒ No (If yes, provide details in comments section with supporting documentation)	Date of previous well head seal assembly pressure test: Unknown
,	Surface Casing Vent Flow (SCVF) / Gas Migration Evidence of SCVF? □ Yes ☒ No	(GM) testing Signs of GM? □ Yes ⊠ No
	SCVF test conducted? ⊠ Yes □ No (If yes, provide details in comments section with supporting documentation)	GM test conducted? ⊠ Yes □ No (If yes, provide details in comments section with supporting documentation)
		Gas samples taken? ☐ Yes ☒ No (If yes, provide details in comments section identifying location and anticipated date of submission of analysis to OROGO)
,	Shut-in pressures	
	Production casing pressure (kPa): Not Taken for this Inspection	Production tubing pressures (kPa): Not Taken for this Inspection
	Intermediate casing pressure (kPa): Not Taken for this Inspection	Any other readings taken: Click or tap here to enter text.



Version: June 30, 2022

Comments

Details of:	 SCVF/ GM testing (Include source: SCV, wellbore or soil vapour) □ Shut-in pressures (Include equipment used, results, any changes from previous inspections and previous inspection dates) □ Seal assembly testing (Include maximum pressure tested and duration of test) □ Other comments 							
•	This inspection was specific to Gas Migration and SCVF testing; this was not a full wellsite inspection completed by A&M personel.							
Additional su	pporting documentation attached? ⊠ Ye	es □ No						
lf yes, list atta	ached documentation: GCHEM Report,	Wellbore & Wellhead Schematic						
•	I certify based on personal knowledge of well inspection operations undertaken at the above named well that the above information is accurate.							
Responsible	e Officer:	Date: 2022-11-15						
Name: Du	Name: Duncan MacRae Signature:							
Title: Vice	Title: Vice President							
•	Alvarez & Marsal Canada Inc., in its							
capacity a NWT Proj	as receiver of Strategic Oil & Gas's perty	Ah						

Heli Source Ltd.

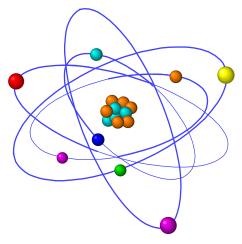
Work Order-Ref #: 22324

Vapor Intrusion Assessment (VIA)

Surface Casing Vent (SCV) Flow Test

Cameron Hills L-44

September 15, 2022



GCHEM Ltd.

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LLOYDMINSTER, AB
T9V 2E9
(780) 871-4668
www.gchem.ca
info@gchem.ca

FORENSIC SOLUTIONS FOR ENERGY CHALLENGES





1.0 Vapor Intrusions Assessment (VIA) Summary

Operating Company: Not Provided

Well Name: L-44

UWI: 60-10N 117-30W

License Number: 1743

Test Date September 15, 2022

GCHEM Project Number 22324

1.1 Production Casing Assessment Summary Table

Combustible Gas (CH ₄) ([%LEL])	nm					
Hydrogen Sulphide (H ₂ S) Gas (ppm v/v)		nm				
PC Flow Rate (m ³ /day)		nm				
P-T Date Logger Installed			nm			
P-T Data Logger Removed		nm				
P-T Data Logger Test Duration			nm			
MAX Pressure (kPa)	nm					
Gas Spls. Collection-Measurement	Total Collected	Analysis Requested*	Classification**			
Gas Spls. Collection-Measurement PC Samples (Total)		•	Classification**			
•		•	Classification** NA			
PC Samples (Total)		Requested*				
PC Samples (Total) PC Combustible Gas Class. Level-1 (Chemical)		Requested* NA	NA			

1.2 Surface Casing Vent Flow (SCVF) Assessment Summary Table

SCV Ten-Minute Bubble Test Result		PASS					
SCV Flow Rate (m ³ /day)	0						
SCV Pressure-Temp Logger Installed			NA				
SCV Pressure-Temp Data Logger Removed			NA				
SCV Shut-In Time (hrs)			NA				
SCV MAX-Recorded Build Up Pressure (kPa)		NA					
SCV Stabilized Build-up Pressure (kPa):		NA					
SCV Stabilized Build-up Time (hours)			NA				
SCV Standpipe Max CH ₄ Content (ppm v/v):			1				
SCV Standpipe Max H ₂ S Content			<1				
SCV Cas Suls Collection Massurement	Total	Analysis					
SCV Gas Spls. Collection-Measurement	Collected	Requested*	Classification**				
SCV Samples (Total)	1						
SCV Combustible Gas Class. Level-1 (Chemical)		NON-IMPACTED					
SCV Combustible Gas Class. Level-2 (δ ¹³ C)		NA					
SCV Combustible Gas Class. Level-3 (δD)		NA					
SCV Combustible Gas Class. Level-4 (14C)		NA	NA				



1.3 Soils Outside Casing (AGM) Assessment Summary Tables

A) Non-Intrusive CH₄ Surface Soil Scan (PMD) (Figure-1 and Table-1)

Well Casing Surface CH ₄ Test Sites	28
MAX Surface CH ₄ Reading	39 ppm v/v
MAX H ₂ S Well Soil Reading (ppm v/v)	<1
Number of Background Sites	1
MAX Background CH ₄ (ppm v/v)	1
Max H ₂ S BKG Soil Reading (ppm v/v)	<1
C A CIT DIFF C CI 101 11	MONTH OF CALL
Surface CH ₄ -PMD Gas Classification	NON-IMPACTED

B) Non-Intrusive Surface Enclosed Soil Vapor FLUX Chamber Test

Surface SV-FC CH ₄ Test Sites	nm						
MAX SV-FC CH ₄ Reading		nm					
	Total	Total Analysis					
SV-FC Gas Spls. Collection-Measurement	Collected	Requested*	Test Site				
SV-FC Samples (Total)	0						
SV-FC &Sites Requested for Level-1 Analysis		NA	NA				
Combustible Gas Classification Level-1 (Chem.)		NA					
SV-FC &Sites Requested for Level-2 Analysis		NA	NA				
Combustible Gas Classification Level-2 (δ¹³C)			NA				
SV-FC &Sites Requested for Level-3 Analysis		NA	NA				
Combustible Gas Classification Level-3 (δD)		NA					
SV-FC &Sites Requested for Level-4 Analysis		NA	NA				
Combustible Gas Classification Level-4 (14C)		NA					

C) Intrusive Auger Test Holes with Soil Vapor Probes (Figure 2 and Table 2)

Number Soil Vapor Probe (SVP) Test Sites		14				
MAX SVP CH ₄ Reading (ppm v/v)	115000					
Max H ₂ S SVP Field Reading (ppm v/v)		<	<1			
Number SVP BKG Test Sites			1			
MAX SVP CH ₄ BKG Test Sites (ppm v/v)		1	34			
	Total	Analysis				
SVPs Gas Spl. Collection & Measurement	Collected	Requested*	Test Site			
Soil Vapor Probes (SVPs) AGM (Total)	4					
SVP &Sites Requested for Level-1 Analysis		4 N3, N5, S5 & W0.				
Combustible Gas Classification Level-1 (Chem.)		N	ON-IMPACTED			
SVP &Sites Requested for Level-2 Analysis		0	NA			
Combustible Gas Classification Level-2 (δ ¹³ C)			NA			
SVP &Sites Requested for Level-3 Analysis		0 NA				
Combustible Gas Classification Level-3 (δD)		NA				
SVP &Sites Requested for Level-4 Analysis		0	NA			
Combustible Gas Classification Level-4 (14C)			NA			



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	Total	Analysis			
BKG Gas Spl. Collection-Measurement	Collected	Requested*	Test Site		
BKG Soil Vapor Probe (SVPs) (Total)	1				
BKG &Sites Requested for Level-1 Analysis		1	BKG NW20		
Combustible Gas Classification Level-1 (Chem.)			BASELINE		
BKG &Sites Requested for Level-2 Analysis		0	NA		
Combustible Gas Classification Level-2 (δ ¹³ C)			NA		
BKG &Sites Requested for Level-3 Analysis		0	NA		
Combustible Gas Classification Level-3 (δD)		NA			
BKG &Sites Requested for Level-4 Analysis		0	NA		
Combustible Gas Classification Level-4 (14C)		NA			

^{*} Sample selection for chemical and isotope analysis (geochemical analytical suite) selected by client/operator.

1.4 Interpreted Source of Migrating Gases

Sample Point	Geologic Formation	Depth Range	Source Depth
	No samples submitted for	stable isotope composition analy	sis.













3.0 Vapor Intrusion and Surface Casing Vent Flow Testing and Sampling Comments

Assessment-Collection Date: September 15, 2022

- 1) The Surface Casing Vent passed the ten-minute bubble test (1 ppm v/v methane).
- 2) A surface combustible gas scan was performed near the wellbore using a Sensit Portable Methane Detector (PMD). Most readings were low, but some were elevated (i.e. up to 39 ppm v/v methane at N3) compared to background (1 ppm v/v) established 20m northwest from the wellbore (Figure 1, Table 1).
- 3) An intrusive soil gas migration test was then performed by drilling test holes and inserting Soil Vapor Probes (SVPs). Combustible gas readings in the SVPs were elevated (up to 11500 ppm v/v at N5), compared to the background probe (1 ppm v/v methane) installed approximately 20m northwest of the wellbore to establish background levels in the area and for comparison to other samples collected during this investigation (Figure 2, Table 2).
- 4) Four soil gas samples from SVPs (N3, N5, S5 & W0.5) and gases from background (BKG NW20) were collected, contained, and preserved for geochemical analysis and characterization, classification, geologic origin (source) and depth measured from the KB (Table 3).
- 5) C2 + light alkane gas levels in soil gases collected near the wellbore are low, comparable to background established 20m east of the wellbore (Figure 3). Elevated combustible gas readings in the soils are the result of the presence of biogenic methane (swamp gas).
- 6) C_{6+} contents in the soil samples are low and comparable to background levels (Figure 4).
- 7) This well does not contain evidence of SCVF or gas migration at the time of this investigation.

Figure 1. AGM Non-Intrusive Surface PMD

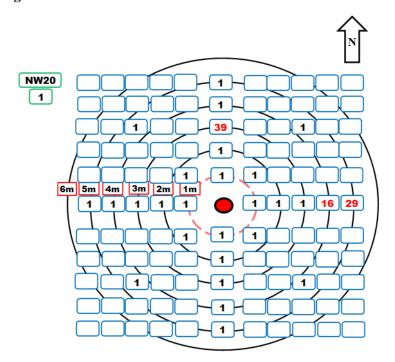


Figure 1A. Non-Intrusive CH₄ Surface Well Casing Detail VIEW

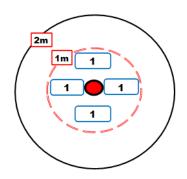


Table 1. AGM Non-Intrusive Surface PMD

WELL CASING (AGM) Non-Intrusive Surface PMD (CH ₄) Soil Scan											
T4	D3 (D			AGM) N PMD			ice PMD PMD			D3 CD	CII
Test	PMD	-	Test		-	Test		-	Test	PMD	-
Site (m)	(ppm v/v)	(% Vol)	Site (m)	(ppm v/v)	(% Vol)	Site (m)		(% Vol)	Site (m)	(ppm v/v)	(% Vol)
N.5	1		E.5	1		S.5	1		W.5	1	
N1	1		E1	1		S1	1		W1	1	
N2	1		E2	1		S2	1		W2	1	
N3	39		E3	1		S3	1		W3	1	
N4	1		E4	16		S4	1		W4	1	
N5	1		E5	29		S5	1		W5	1	
N5-E1			E5-S1			S5-W1			W5-N1		
N4-E1			E5-S2			S4-W1			W5-N2		
N3-E1			E5-S3			S3-W1			W5-N3		
N2-E1			E5-S4			S2-W1			W5-N4		
N1-E1	1		E5-S5			S1-W1	1		W5-N5		
N1-E2			E4-S5			S1-W2			W4-N5		
N2-E2			E4-S4			S2-W2			W4-N4		
N3-E2			E4-S3			S3-W2			W4-N3		
N4-E2			E4-S2			S4-W2			W4-N2		
N5-E2			E4-S1			S5-W2			W4-N1		
N5-E3			E3-S1			S5-W3			W3-N1		
N4-E3			E3-S2			S4-W3			W3-N2		
N3-E3	1		E3-S3	1		S3-W3	1		W3-N3	1	
N2-E3			E3-S4			S2-W3			W3-N4		
N1-E3			E3-S5			S1-W3			W3-N5		
N1-E4			E2-S5			S1-W4			W2-N5		
N2-E4			E2-S4			S2-W4			W2-N4		
N3-E4			E2-S3			S3-W4			W2-N3		
N4-E4			E2-S2			S4-W4			W2-N2		
N5-E4			E2-S1			S5-W4			W2-N1		
N5-E5			E1-S1	1		S5-W5			W1-N1	1	
N4-E5			E1-S2			S4-W5			W1-N2		
N3-E5			E1-S3			S3-W5			W1-N3		
N2-E5			E1-S4			S2-W5			W1-N4		
N1-E5			E1-S5			S1-W5			W1-N5		
		BAC	CKGROU			Surface 1	PMD (CH	(4) Soil S	can		
Test	PMD	CH_4	Test	PMD	CH_4	Test	PMD	CH_4	Test	PMD	CH_4

BACKGROUND Non-Intrusive Surface PMD (CH4) Soil Scan											
Test	PMD ($\mathbb{C}\mathbf{H}_4$	Test	PMD ($\mathbb{C}\mathbf{H}_4$	Test	PMD ($\mathbb{C}\mathbf{H}_4$	Test	PMD ($\mathbb{C}\mathbf{H}_4$
Site (m)	(ppm v/v)	(%)	Site (m)	(ppm v/v)	(%)	Site (m)	(ppm v/v)	(%)	Site (m)	(ppm v/v)	(%)
NW20	1										



Figure 2. AGM Intrusive SVPs-

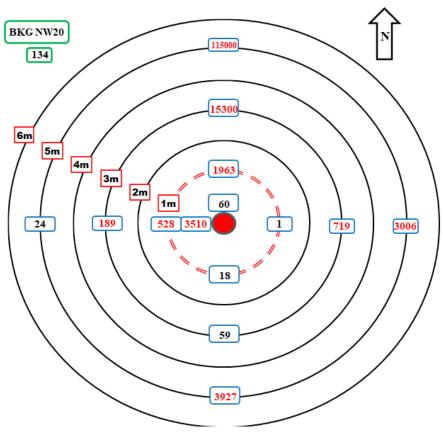


Table 2. AGM Intrusive SVPs

Intrusive AGM -Test Hole-Install Soil Vapor Probes (SVPs) ATM-Isolated								
Test	Soil Vapor Probes			S	Gas			
Site	$IR-CH_4$		H_2S	Type	Moist. HC-CONT		Sample	
(m)	(ppm v/v)	(%LEL)	(ppm v/v)		(1-5)	(Y-N)	(Y-N)	
N0.5	60		<1.0	Silt / Clay	5	Yes	No	
N1	1963		<1.0	Silt / Clay	4	No	No	
N3	15300		<1.0	Silt / Clay	4	No	Yes	
N5	115000		<1.0	Silt / Clay	4	No	Yes	
E1	1		<1.0	Silt / Clay	4	No	No	
E2	719		<1.0	Silt / Clay	4	No	No	
E3	3006		<1.0	Silt / Clay	4	No	No	
S1	18		<1.0	Silt / Clay	4	No	No	
S3	59		<1.0	Silt / Clay	3	No	No	
S5	3927		<1.0	Silt / Clay	3	No	Yes	
W0.5	3510		<1.0	Silt / Clay	5	Yes	Yes	
W1	528		<1.0	Silt / Clay	4	No	No	
W3	189		<1.0	Silt / Clay	3	No	No	
W5	24		<1.0	Silt / Clay	3	No	No	
Test	Soil Vapor Probes			s	Gas			
Site	IR-0	$\mathbb{C}\mathbf{H}_4$	H_2S	Type	Moist.	HC-CONT	Sample	
(m)	(ppm v/v)	(% Vol)	(ppm v/v)		(1-5)	(Y-N)	(Y-N)	
BKG NW20	134		<1.0	Silt / Clay	5	No	Yes	



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Table 3: High resolution molecular compositions of gas samples collected as part of the VIA Heli Source L-44.

Sample Point	SCV	N3	N5	W0.5	S 5	BKG E
Date Collected	Sept. 15-22	Sept. 15-22	Sept. 15-22	Sept. 15-22	Sept. 15-22	Sept. 15-22
Gas Component	ppm v/v		ppm v/v	-		
Neon	23.48	ppm v/v 22.76	23.47	ppm v/v <0.5	ppm v/v <0.5	ppm v/v 22.98
Hydrogen	671.5	769.5	898.2	2961	2176	518.1
Helium	3.73	3.47	3.48	<0.5	<0.5	4.96
	777806	773029	772887	774824	773159	775480
Nitrogen	220042	222195	222654	220930	220070	222564
Oxygen Carbon Dioxide	1450	3177	2918	905.1	4437	1401
Methane	2.79 <0.01	802.6 <0.01	614.2 <0.01	378.8	155.7 <0.01	3.83 0.12
Ethane				<0.01		
Ethene	<0.01	<0.01	<0.01	<0.01	<0.01	<0.01
Propane	<0.01	<0.01	0.20	<0.01	0.45	0.13
Propene	<0.01	<0.01	<0.01	<0.01	<0.01	0.11
iso-Butane	<0.01	<0.01	0.43	<0.01	0.44	0.44
n-Butane	<0.01	<0.01	0.15	0.21	0.28	1.43
iso-Pentane	<0.01	<0.01	0.18	0.14	0.19	0.51
n-Pentane	<0.01	<0.01	<0.01	0.20	<0.01	0.71
<u>C6+</u>	0.63	0.22	0.22	0.57	0.10	1.72
			4704		244.0	4.00
C1 Index (C1/ΣC2+)	N/A	N/A	1731	920.6	214.8	1.60
C2 Index (C2/ΣC3+)	N/A	N/A	N/A	N/A	N/A	0.05
C3 Index (C3/ΣC4+)	N/A	N/A	1.35	N/A	1.61	0.06
C4 Index (C4/C5)	N/A	N/A	N/A	1.02	N/A	2.03
ΣC2+	N/A	N/A	0.35	0.41	0.72	2.39
ATM Ratio (N2/O2)	3.53	3.48	3.47	3.51	3.51	3.48
Vol % CO2 of TG	0.14	0.32	0.29	0.09	0.44	0.14
Vol % Lt. Alk. of TG	0.00	0.08	0.06	0.04	0.02	0.00
Vol % Lt. Alk. CH4	100.0	100.0	99.84	99.86	99.14	52.63
Vol % Lt. Alk. C2+	0.00	0.00	0.16	0.14	0.86	47.37
Vol % C2+ of TG	0.00	0.00	0.00	0.00	0.00	0.00
COLUMN AND	1					
Stable Carbon Isotope Compositions (% VPDB) d13C CH4					T	
d13C C2H6	nm	nm	nm	nm	nm	nm
	nm	nm	nm	nm	nm	nm
d13C C2H4 d13C C3H8	nm	nm	nm	nm	nm	nm
	nm	nm	nm	nm	nm	nm
d13C C3H6	nm	nm	nm	nm	nm	nm
d13C i-C4H10	nm	nm	nm	nm	nm	nm
d13C n-C4H10	nm	nm	nm	nm	nm	nm
d13C i-C5H12	nm	nm	nm	nm	nm	nm
d13C n-C5H12	nm	nm	nm	nm	nm	nm
d13C CO2	nm	nm	nm	nm	nm	nm
Challe Hadrone Landania Companidiana IIV MCMOM	l					
Stable Hydrogen Isotopic Compositions (% VSMOW)	nm	200	200	nm	nm	nm
dD H2 dD CH4	nm	nm	nm	nm	nm nm	nm nm
dD C2H6		nm		nm		
	nm	nm	nm	nm	nm	nm
dD C3H8	nm	nm	nm	nm	nm	nm
dD i-C4H10	nm	nm	nm	nm	nm	nm
dD n-C4H10	nm	nm	nm	nm	nm	nm
AAC Commenter (nMC)						
14C Concentration (pMC)	nm	nm	nm	nm	nm	nm

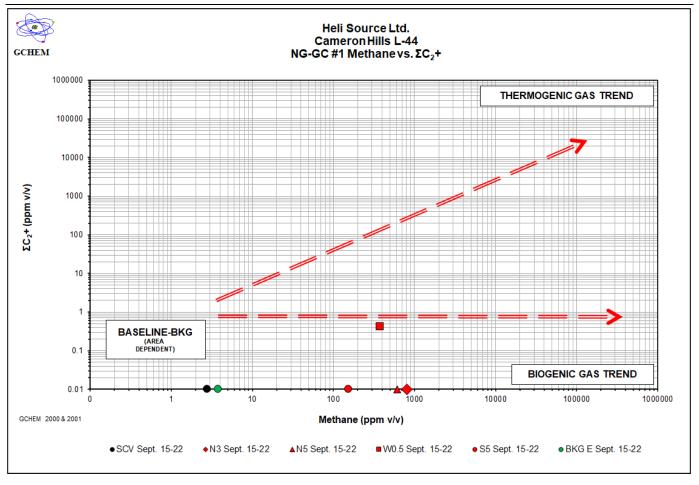


Figure 3: Σ C2+ vs Methane. Combustible gases detected in soils and SCVs at a wellhead may result from several origins. Natural gases indicative of SCVF or AGM are thermogenic in origin (natural gas in deep reservoirs), contain high methane and C₂+ contents and plot in the Upper RH Quadrant. Low natural gas levels in background, off lease areas are naturally present in soils, vary from region to region and plot in the Lower LH Quadrant. Biogenic gases (swamp-gas) are produced by bacteria, are comprised of predominantly methane and plot in Lower RH Quadrant. Samples plotting in the Lower LH and RH do not contain SCVF or AGM and would not require down-hole remediation

NG-GC-1 Comments

NG-GC-1 Comments

1) Natural gases in the SCV and soils near the wellbore contain low levels of C2+ gases indicating that this well is not impacted with leaking thermogenic natural gases.

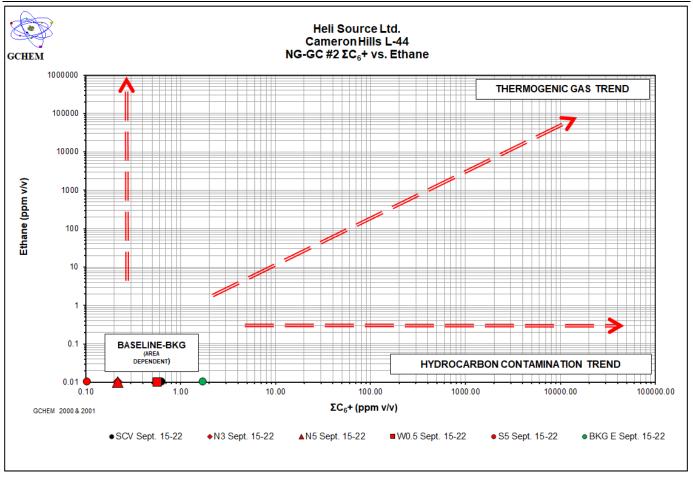
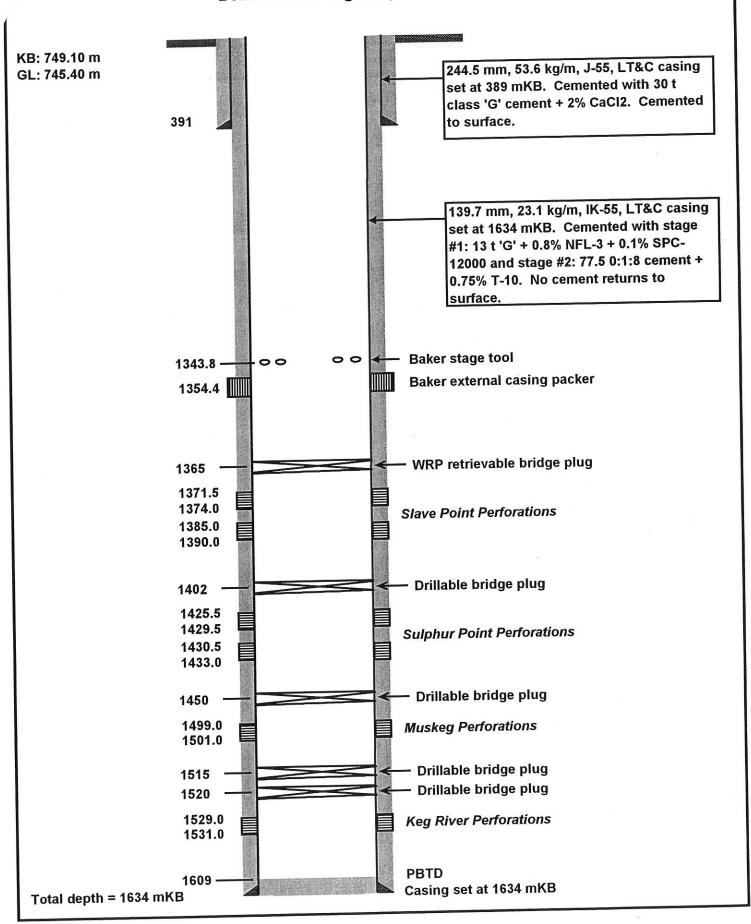


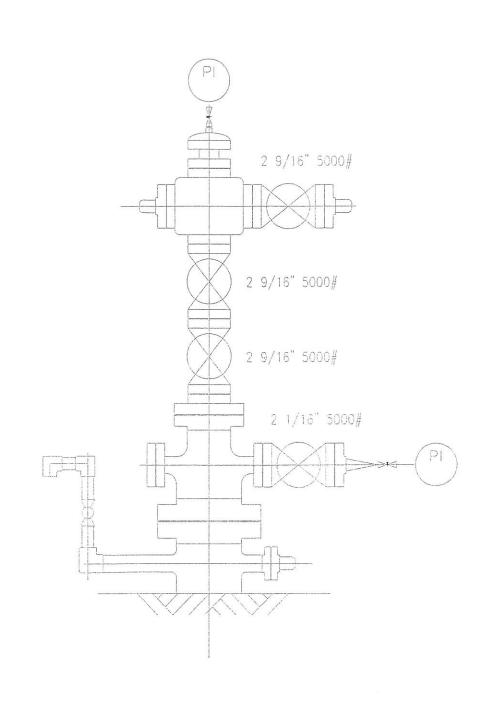
Figure 4: $\Sigma C_6 + vs$ **Ethane.** $C_6 + vs$ **Ethane.** $C_6 + vs$ gases are relatively large molecules that do not readily or easily migrate in large quantities from depth upwards through subsurface fractures or micro-fractures to surface. Contamination by oil spills, fuels, and solvents is indicated by soil vapor samples that have high contents of $C_6 + compounds$ and plot in the Lower RH Quadrant. Samples plotting in the Lower LH and RH Quadrants do not contain evidence of either SCVF or AGM and would not require downhole repair operations.

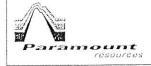
NG-GC-2 Comments

1) C₆+ contents of the SCV and soil gas samples are low and are similar to expected baseline readings. Measured combustible gas levels are not the result of near surface hydrocarbon or chemical contamination.

PARAMOUNT ET AL CAMERON L-44 60⁰ 10' N, 117⁰ 30' W Bottom Hole Diagram (as of March 16, 1990)







WFI	IHEAD	DETAI	S

WELL NAME LOCATION L-44

<u>Dote:</u> 090908 <u>By:</u> KW <u>Rev.:</u> A FOR INFO.

Wellhead Lost Review Date: