
**CHIEF SAFETY OFFICER ORDER – ORD-2024-001-SOG
IN THE MATTER OF AN ORDER UNDER SECTION 110 OF
THE OIL AND GAS OPERATIONS ACT SNWT 2014, c.14**

I, Michael W. A. Martin, Chief Safety Officer duly appointed under Section 4 of the *Oil and Gas Operations Act*, am of the opinion, based upon reasonable grounds, that:

December 15, 2024, at the Cameron Hills Production Field in the Northwest Territories, Alvarez and Marsal Canada Inc. appointed as the Receiver for Strategic Oil and Gas Ltd. on January 28, 2020, by the Court of the Kings Bench of Alberta under section 243 of the *Bankruptcy and Insolvency Act*, RSC 1985, c. B-3 and section 13(2) of the *Judicature Act*, RSA 2000, c. J-2 (Strategic Oil and Gas Ltd.) is continuing an operation in relation to:

- Exploration or drilling for oil or gas
- Production of oil or gas
- Conservation of oil or gas
- Processing of oil or gas
- Care, maintenance, abandonment or decommissioning of oil and gas infrastructure

that is likely to result in serious bodily injury.

Specifically, I conducted an inspection from September 17 to 19, 2024, and observed that Strategic Oil and Gas Ltd. is conducting an operations resulting in the Cameron Hills Production Field remaining in an unsafe condition.

During the inspection of the Cameron Hills Production Field the following safety concerns were identified. They were communicated to Strategic Oil and Gas Ltd. on September 25, 2024.

- Cameron 2H-03 (WID 2073)

Eleven pilings (two 20" diameter pilings, eight 18" diameter pilings, and one 6" diameter piling) were observed to be cut off just above ground level and visually obscured by surrounding vegetation.

These pilings were full of water and more than four feet deep. They appear to be the foundation of the oil and gas infrastructure associated with the resource exploitation for this well and pose a risk to safety.

- Cameron D-49 (WID 1973)/ Cameron J-04 (WID 2034)/ Cameron A-68 (WID 1746)/ Cameron I-74 (WID 1792)/ Cameron B-25 (WID 1756)/ Cameron J-62 (WID 1158)/ Cameron 2M-73 (WID 2026)

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The well center at these wells did not appear to be back filled, resulting in a two- to three-foot deep hole at well centre on these sites and posing a risk to safety.

- Cameron I-74 (WID 1792)

A rat hole* next to where the proposed Cameron 2I-74 well was to be drilled had the casing removed but the hole was not back filled and is posing a risk to safety.

**Rat hole: hole in the rig floor, 30 to 35 feet deep, lined with casing that projects above the floor into which the kelly is placed when hoisting operations are in progress.*
(Occupational Safety and Health Administration, U.S. Department of Labor, n.d.)

Pursuant to section 110(1) of the *Oil and Gas Operations Act*, I hereby order Strategic Oil and Gas Ltd. to:

- Cease operation in the specified area identified above until the following terms are met to the satisfaction of the Chief Safety Officer.
- X Continue the operation only in accordance with the following terms until they are met to the satisfaction of the Chief Safety Officer:

As proposed in the December 13, 2024, letter from Strategic Oil and Gas Ltd., the Chief Safety Officer accepts the time frame of the preferred approach. This acceptance is contingent on the following terms and conditions.

By March 3, 2025:

Should permanent mitigation be proposed by Strategic Oil and Gas Ltd., a detailed plan must be submitted for approval to the Office of the Regulator of Oil and Gas Operations by March 3, 2025. This plan should address how the risk to safety will be prevented or mitigated. This plan must include a site-by-site description of measures that are to be taken to address these concerns, including but not limited to:

- Equipment to be used;
- Location and transportation of borrow material;
- Procedures for securing pilings and excavations identified; and
- Anticipated timeframe for work to be undertaken and completed.

By May 15, 2025:

Temporary metal fencing must be erected and secured on each site to prevent access to these areas of concern by May 15, 2025.

Or

Should Strategic Oil and Gas Ltd. begin operations by May 15, 2025, as approved under the permanent mitigation plan submitted by March 3, 2025, this would not constitute a violation of this Order contingent on operations being complete by July 14, 2025.

By August 5, 2025:

Strategic Oil and Gas Ltd. shall submit a detailed report, including pictures, to the Office of the Regulator Oil and Gas Operations summarizing the operations conducted to address these concerns by August 5, 2025. This summary must be approved by the Chief Safety Officer for this Order to be revoked.

Duration

This Order is in effect as of December 18, 2024, and remains in effect until it is modified or revoked by the Chief Safety Officer under Section 110(4) of the *Oil and Gas Operations Act*.

Failure to Comply and Penalty

Failure to comply with this Order is an offence under section 114(1)(d) of *Oil and Gas Operations Act*. Every person who is guilty of an offence under section 114(1) is liable, on summary conviction, to a fine not exceeding \$1,000,000 or to imprisonment for a term not exceeding two years, or to both.


In addition, if a person is convicted of an offence under the *Oil and Gas Operations Act*, the court may, in addition to any other punishment imposed, order the person to comply with the Act, any regulation or order for which that person has been convicted.

If an offence under the *Oil and Gas Operations Act* is committed on or continued for more than one day, the offence is considered to be a separate offence for each day on which the offence is committed or continued.

Review

A person carrying out an operation to which this Order makes reference, or any person having a pecuniary interest in that operation, may, by notice in writing, request that the Chief Safety Officer refer the Order to the Regulator for a review of the need for the Order under section 110 (5) if the *Oil and Gas Operations Act*.

On receiving such a notice, the Chief Safety Officer shall refer the Order to the Regulator for review.

Chief Safety Officer	Michael W. A. Martin	S-004	867-767-9097 Ext. 78006
	Name	Certificate No.	Telephone
	December 17, 2024		
	Date	Signature	