

Obsidian Energy
Application for an Operations Authorization (OA-2019-001-OBS)
Information Request No. 6

6.1 Safety Plan – Hazard Analysis

PREAMBLE: On March 5, 2020, Obsidian Energy (Obsidian) submitted additional information to its Safety Plan that still does not meet the requirements stipulated in Section 8(c) and (d) of the *Oil and Gas Drilling and Production Regulations* (OGDPR). Specifically, Obsidian has not submitted descriptions of potential hazards, associated mitigation measures, completed risk evaluations, and measures to avoid, reduce and manage identified hazards.

Obsidian has indicated that this information will be forthcoming once the Well Approvals are in place. However, the Regulator cannot approve any Application to Alter the Condition of a Well until an Operations Authorization is in place and the information requested with respect to Obsidian’s Safety Plan is required in order to issue an Operations Authorization.

REQUEST: Obsidian is required to provide a detailed description of the potential hazards, risk evaluations completed and appropriate measures to avoid, reduce and manage identified hazards and the associated mitigation measures as required by Section 8(c) and (d) of the OGDPR.

6.2 Organizational Chart – Safety Plan, Environmental Protection Plan and Emergency Response Plan

PREAMBLE: On March 5, 2020, Obsidian Energy (Obsidian) identified that the command structure for its Emergency Response Plan and Safety Plan could be found in its Environmental Protection Plan. However, the Environmental Protection Plan submitted by Obsidian does not include sufficient information to meet the requirements stipulated in Section 8(f) of the *Oil and Gas Drilling and Production Regulations* (OGDPR) and clarified in the *Safety Plan Guidelines and Interpretation Notes*.

Specifically, Obsidian has not submitted an organizational chart that identifies the inter-relationships between positions responsible for day to day safety operations as required by Section 8(f) of the OGDPR.

REQUEST: Obsidian is required to provide a detailed organizational chart, in the form of a diagram, that identifies key staff, their position and their role in executing daily safety management during operations. This information must include, but is not limited to:

- Name, position and contact information of key personnel; and
- Their responsibilities and how they fit into the command structure as it relates to daily safety management operations.

6.3 Environmental Protection Plan – Concordance Table

PREAMBLE: Information Request No.4 required that Obsidian provide an updated Environmental Protection Plan and concordance table with references to the requirements of sections 9(a) and (f) of the OGDPR, but this information was not submitted.

REQUEST: Obsidian is required to provide a detailed Environmental Protection Plan that is in compliance with Section 9 of the OGDPR and which must include the following information:

- A summary of and references to the management system that demonstrate how it will be applied to the proposed work or activity and how the duties set out in the OGDPR with regard to Environmental Protection are fulfilled; and
- Correct contact information for all relevant regulatory authorities in the Northwest Territories.

Obsidian is also required to provide a concordance table that specifies where the information required in section 9 of the OGDPR can be found in its Environmental Protection Plan.

6.4 Contingency Plan – Local / On Site Resources

PREAMBLE: On March 5, 2020 Obsidian submitted a site specific Emergency Response Plan (ERP) which was not compliant with 6(j) of the OGDPR. Obsidian references the ERP and Spill Response Plan as containing information related to response resources and mitigation measures for environmental impacts. However, these documents do not include any specific information related to locally (On Site) available resources and only contain a brief description of how contaminated soil will be collected and disposed of.

REQUEST: Obsidian is required to provide a detailed Site Specific Emergency Response Plan and concordance table that contains information on local, including on site, resources (safety and environmental) available to respond to potential emergencies as required under section 6(j) of the OGDPR.

6.5 Water Wells

PREAMBLE: In its response to IR No.4, Obsidian provided the C31 Proposed Exploratory Well Figure (April 22, 2004) that indicated that geotechnical boreholes on the lease site were drilled to a depth no greater than 10.5mKB. As this report speaks to the geotechnical and groundwater classification in the near surface at the lease site and not does not appear to provide information relating to the purpose or depth of the water wells, OROGO is still unclear if the water wells meet the definition of a well as described below.

"well" means any opening in the ground, not being a seismic shot hole, that is made, to be made or is in the process of being made by drilling, boring or other method

- (a) for the production of oil or gas,
- (b) for the purpose of searching for or obtaining oil or gas,
- (c) for the purpose of obtaining water to inject into an underground formation,
- (d) for the purpose of injecting gas, air, water or other substance into an underground formation, or
- (e) for any purpose, if made through sedimentary rocks to a depth of at least 150 metres. (section 1, *Oil and Gas Operations Act*)

REQUEST: In absence of information information on the depth of the water wells, OROGO will consider these wells to be subject to regulation under OGOA and will require that a Well Approval Application be submitted to alter the condition of the water wells for the purpose of abandonment.