

John Hawkins  
Director, Asset Management  
MGM Energy  
Suite 2800, 421 – 7<sup>TH</sup> AVE SW  
CALGARY AB T2P 4K9

September 6, 2019

Dear John Hawkins:

**Preliminary Screening Requirements (OA-2019-002-MGM)**

On June 12, 2019, the Office of the Regulator of Oil and Gas Operations (OROGO) received a complete application from MGM Energy (MGM) for an Operations Authorization (OA). The original OA application covers the proposed abandonment of seven wells operated by MGM in the Sahtu Settlement Area of the Northwest Territories. MGM's response to Information Request No. 2, received on August 14, 2019, reduces the scope of the OA application to the abandonment of six wells.

An OA application triggers the requirement for a preliminary screening under the *Mackenzie Valley Resource Management Act (MVRMA)*. As a regulatory authority under the MVRMA, the Regulator may conduct its own preliminary screening, adopt a preliminary screening conducted by another organization, participate in a joint preliminary screening, determine that the development is exempt from preliminary screening, or decide not to conduct a preliminary screening because a Land and Water Board established under the MVRMA has already conducted one.

Based on a review of the relevant well history files and the public registry of the Sahtu Land and Water Board (SLWB), I cannot conclude with certainty that the proposed well abandonments have already been subject to preliminary screening under the MVRMA and therefore may be exempted from further preliminary screening.

I also note that MGM's OA application indicates it intends to apply to the SLWB for the appropriate Water Licences and Land Use Permits in the fourth quarter of 2019.

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Therefore, please indicate whether MGM would prefer:

1. OROGO to conduct a preliminary screening of the OA application as soon as possible; or
2. To defer the consideration of its OA application until the SLWB has completed a preliminary screening associated with MGM's applications for Water Licences and Land Use Permits.

If you have any questions, please contact Peter Lennie-Misgeld at 867-767-9097 Ext: 78003 or by email at [peter.lennie-misgeld@gov.nt.ca](mailto:peter.lennie-misgeld@gov.nt.ca). I look forward to a response at your earliest convenience.

Sincerely,



Pauline de Jong  
Chief Conservation Officer

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