



NWT OFFICE OF THE REGULATOR OF OIL AND GAS OPERATIONS

Office of the Regulator of Oil and Gas Operations

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John Hawkins
Director, Asset Management
MGM Energy
SUITE 2800, 421 – 7 AVE SW
CALGARY AB T2P 4K9

July 29, 2022

Dear John Hawkins:

Benefits Plan Requirement (OA-2019-002-MGM)

On June 12, 2019, the Office of the Regulator of Oil and Gas Operations (OROGO) received an application from MGM Energy (MGM) for an Operations Authorization (OA) covering the proposed abandonment of MGM operated wells in the Sahtu Settlement Area.

On October 15, 2019, I deferred consideration of this application pending approval of MGM's Benefits Plan by the Minister of Industry, Tourism and Investment.

On August 27, 2021, MGM informed OROGO that the Benefits Plan had been submitted to the Department of Industry, Tourism and Investment but no decision had been issued.

On December 20, 2021, I extended the deadline for the abandonments scoped into OA-2019-002-MGM to March 31, 2024. Equipment for these abandonments is to be mobilized in winter 2023.

Section 17(2) of the *Oil and Gas Operations Act* states that an OA cannot be granted until the Benefits Plan has been approved or the requirement for a Benefits Plan has been waived. Given that work to support the well abandonments scoped into OA-2019-002-MGM is scheduled to begin in a few months, please provide an update on the status of MGM's Benefits Plan no later than August 18, 2022.

If you have any questions, please contact OROGO at 867-767-9097 or by email at oroogo@gov.nt.ca.

Sincerely,

Pauline de Jong
Regulator