



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 – 7TH AVE SW
CALGARY AB T2P 4K9

October 3, 2024

Dear John Hawkins:

**Decision: Operations Authorization
for the Abandonment of Six Wells (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) for the abandonment of seven wells in the Sahtu Settlement Area of the Northwest Territories. The scope of the OA application was later reduced to the abandonment of six wells in the Sahtu Settlement Area of the Northwest Territories.

MGM also filed additional information with OROGO in response to the following information requests:

- Information Request No.1 – received from MGM on July 15, 2019
- Information Request No.2 – received from MGM on August 14, 2019
- Information Request No.3 – received from MGM on August 15, 2019
- Information Request No.4 – received from MGM on August 28, 2019
- Information Request No.5 – received from MGM on December 2, 2022
- Information Request No.6 – received from MGM on May 1, 2023
- Information Request No.7 – received from MGM on June 15, 2023
- Information Request No.8 – received from MGM on July 27, 2023
- Information Request No.9 – received from MGM on September 26, 2023
- Information Request No.10 – received from MGM on July 15, 2024

The Regulator, designated under section 121 of the *Oil and Gas Operations Act* (OGOA), may issue an Operations Authorization under section 10(1)(b) of that act. On August 2, 2020, the Commissioner in Executive Council designated me as the Regulator under section 121 of OGOA.

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The Regulator must fulfill their obligations as a regulatory authority under the *Mackenzie Valley Resource Management Act* (MVRMA). They must also determine the adequacy of Aboriginal consultation, where a decision has the potential to adversely impact an asserted or existing Aboriginal right.

I make the following findings with respect to MGM's application for an Operations Authorization:

1. MGM's application and supplemental information submissions satisfy the application requirements of OGOA and the *Oil and Gas Drilling and Production Regulations* in relation to the proposed activities. I am persuaded that MGM intends to conduct the proposed activities in a manner consistent with the purposes set out in OGOA.
2. Preliminary Screening – The activities proposed under OA-2019-002-MGM were subject to preliminary screening by the Sahtu Land and Water Board (SLWB) under Land Use Permit S19A-004 and Water Licence S19L1-003. As the SLWB is a board established under Part 3 of the MVRMA, I am not required to conduct a further preliminary screening for OA-2019-002-MGM (see MVRMA section 124(4)).
3. Land Use Plan Conformity – The proposed activity takes place in the Sahtu Settlement Area of the Northwest Territories and is subject to the *Sahtu Land Use Plan* (Plan). I have considered the applicable conformity requirements and am persuaded that the proposed activity is in conformity with the Plan. My review is documented in the *OROGO Record of Applications & Authorizations Under the SLUP* and will be provided to the Sahtu Land Use Planning Board.
4. Indigenous and community consultation – MGM has conducted consultation and engagement activities with the Behdzi Adha' First Nation, the K'asho Gotine Dene Band, the Tulita Band Council, the Sahtu Secretariat Incorporated, the Fort Good Hope Metis Nation, the Behdzi Adha' Renewable Resource Council, the Ayoni Keh Land Corporation, the Yamoga Land Corporation, the Fort Good Hope Renewable Resource Council, the Tulita Land Corporation, the Sahtu Renewable Resource Board, and the Sahtu Land Use Planning Board, as well as others who participated in the preliminary screening process. The proposed activities are intended to reduce impact on existing or asserted Aboriginal rights by abandoning six wells in the Sahtu Settlement Area. Considering the nature and scale of the activity and the concerns raised, consultation undertaken by MGM on the activities proposed under OA-2019-002-MGM is adequate.
5. Proof of Financial Responsibility – MGM has provided satisfactory proof of financial responsibility in accordance with sections 13 and 64(1) of OGOA. This proof of financial responsibility must remain in force for the duration of the activity and for one year after the operation has been completed to the satisfaction of the Regulator.

6. Safety - I have consulted with the Chief Safety Officer, in accordance with section 12 of OGOA, and am satisfied with the safety of the proposed activities.

MGM's application is approved, subject to the terms contained in the attached Operations Authorization.

MGM must post a copy of the attached Operations Authorization in a clearly visible location at the work site.

Sincerely,



Pauline de Jong
Regulator

Encl. Operations Authorization OA-2019-002-MGM



NWT OFFICE OF THE REGULATOR OF OIL AND GAS OPERATIONS

OPERATIONS AUTHORIZATION


Subject to the terms listed below, operations authorization **OA-2019-002-MGM** is granted under Section 10 of the *Oil and Gas Operations Act* and Part 2 of the *Oil and Gas Drilling and Production Regulations* to

Company Name	Operating Licence #
MGM Energy Corp.	NWT-OL-2014-009
Responsible Officer	
John Hawkins, Director Asset Management	

for

Scope of Work	Region
Abandonment	Sahtu

This authorization expires on **May 31, 2026**.

Issued at	Issued on
Yellowknife, Northwest Territories	October 3, 2024
Issued by	Signature
Pauline de Jong, Regulator	

Additional Terms

1. MGM Energy Corp. shall cause the approved work and activities to be conducted in accordance with the requirements of the *Oil and Gas Operations Act* and the *Oil and Gas Drilling and Production Regulations*, as well as any other acts or legislation as may apply.
2. MGM Energy Corp. shall cause the approved work and activities to be conducted in accordance with any guidelines and/or interpretation notes issued by the Regulator under section 18 of the *Oil and Gas Operations Act*.
3. MGM Energy Corp. shall cause the approved work and activities to be conducted in accordance with the specifications, standards and other information referred to in its application dated June 12, 2019, and subsequent submissions.
4. MGM Energy Corp. shall request approval from the Regulator prior to undertaking any change to or deviation from the authorized work or activities, including but not limited to key personnel, the safety plan, the environmental protection plan and contingency plans.
5. MGM Energy Corp. shall provide all staff and contractors for this program with its Emergency Response Plan and the OROGO 24-hour Incident Reporting phone number (867-445-8551) prior to commencing any work or activity.
6. MGM Energy Corp. shall submit to OROGO an updated operator contact list for this program prior to any work or activity.
7. MGM Energy Corp. shall submit to OROGO consolidated Safety, Environmental Protection, and Contingency Plans 15 days prior to starting operations. These plans should include the respective concordance tables, updated information, and finalized organizational chart with key personnel names and contact information.
8. MGM Energy Corp. shall submit to OROGO a report on consultation and engagement activities associated with OA-2019-002-MGM by December 16, 2024.
9. MGM Energy Corp. shall complete well abandonment operations under OA-2019-002-MGM by March 31, 2025.