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February 7, 2025

Department of Justice
Office of the Regulator of Oil and Gas Operations
Government of the Northwest Territories
4th Floor Northwest Tower
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Yellowknife NT X1A 3S9

Attention: Pauline de Jong, Regulator

Via Email Only: OROOG@gov.nt.ca

Well abandonment update for OA-2019-002-MGM

MGM Energy (MGM) planned to abandon the following 6 wells in accordance with the subject Operations Authorization and in accordance with the Office of the Regulator of Oil and Gas Operations (OROGO) Well Suspension and Abandonment Guidelines and Interpretation Notes Section 6E– Surface Abandonment Requirements in the winter of 2025.

| Well Name | WID |
|--------------------------------------|------------|
| 1. MGM Nogha C-49 | 1934 |
| 2. MGM West Nogha K-14 | 2006 |
| 3. MGM Apache Nogha B-23 | 1998 |
| 4. MGM et al Nogha M-17 | 1970 |
| 5. Apache Paramount Lac Maunoir C-34 | 1995 |
| 6. Apache Paramount Lac Maunoir E-35 | 2021 |

MGM has prepared 60 km of winter access road to the sites to the Manouir ridge to the northeast of Colville Lake and is in the process of preparing the leases for the Lac Maunoir C-34 & E-35 well abandonment activities. This activity has been delayed due to contractor performance and as a result the workscope for the program this year has been reduced to the Lac Maunoir area.

Aligned with our Paramount Operations Excellence Management System values, MGM requests an extension for the abandonment of the 4 wells in the Nogha field south of Colville Lake to March 31, 2026. The deferral abandonment request is to ensure the work can be conducted safely and with minimal environmental impact. MGM request an extension for safety and environmental reasons as follows:

- As part of MGM the agreement with the K'ashsho Got'ine Land Corporation, Behdzi Ahda' First Nation (BAFN), Ayoni Keh Land Corporation, Fort Good Hope Dene Band, Yamoga Land Corporation, Fort Good Hope Metis Nation Local #54 Land Corporation, MGM has worked with BAFN's new joint venture company to conduct the winter road and camp facilities. MGM is also expected to work with local capacity as part of the Benefits Plan it has with the Government of the Northwest Territories. MGM is working with the JV company, and they confirmed prior to commencement of the project that they had the resources to complete the scope of work safely. The JV has not performed due to unreliable equipment and resources. MGM flew in a mechanic to assist to the JV equipment operating and daily maintenance due to breakdowns. MGM also brought additional equipment and resources from Fort Good Hope and Norman Wells to assist with the winter road access.
- MGM did not stage equipment in Colville Lake last winter as JV contractor was not in place and a participating industry operator abandonment plan was under review, and MGM had been informed capacity existed in Coleville Lake to start access work.
- Paramount has an agreement with the Government of Northwest Territories for road construction and maintenance. The Northwest Territories Department of Transportation winter road construction is not 100% loads. In fact, fuel is being transfer to bulkers across the Tulita crossing.
- MGM assessed that the ~65km of winter road access to the Nogha field would not be in place until mid-March which would not allow time for the execution of the well abandonments.

Therefore, MGM request an extension to March 31, 2026, to complete the 4 Nogha well abandonments safely and in an environmental sound manner. All Colville wells were inspected in 2024 and were found safe. MGM would conduct suspended well inspection at Nogha in 2025.

Respectfully,

MGM Energy



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