

July 19, 2021

Office of the Regulator of Oil and Gas Operations
Government of the Northwest Territories
P.O. Box 1320
4th Floor Northwest Tower
5201 – 50th Avenue
Yellowknife NT X1A 3S9

**RE: Information Request No. 1: Prairie Provident Resources Canada Ltd.
Proof of Financial Responsibility – Additional Information (OA-2021-001-PPR)**

Prairie Provident Resources (PPR) submits the following information in response to Information Request No. 1 dated June 30, 2021 from OROGO;

1.1 Proof of Financial Responsibility

Request: Please provide a description of any potential impacts of the worst case scenario on Indigenous and other land use

As clean-up operations would occur immediately, there would be no detrimental impact to Indigenous or other land use. Existing crew's onsite would ensure the impacted area is secure to limit access while cleanup operations are underway.

Request: Please provide an estimate of the amount or damage that would occur if the spill or debris were not cleaned up to the regulators satisfaction, including information on how this estimate was developed and who was involved in its development

PPR will ensure clean-up is completed to regulators satisfaction. The estimate for clean-up cost was developed by Representatives from Vertex Professional Services. Vertex Engineering Services group was involved in determination of potential release and Vertex Environmental group prepared the estimate for cleanup costs.

1.1.1 Third Party Clean-Up Costs

Request: Please provide an estimate for a third party to clean-up the works case scenario that could occur from a spill of debris during the operation.

Vertex Environmental Consulting would be utilized should a spill occur. A copy of the estimate to address a worst case scenario provided by Vertex is attached. Costs are summarized as follows;

Service	Units	# Units	Unit Price	Total
Access	Existing			
Camp/Accommodations	Existing			
Hydrovac	2	days	\$2,000.00	\$4,000.00
Project Management	20	hours	\$150.00	\$3,000.00
Spill Professional	35	hours	\$90.00	\$3,150.00
Reporting	10	hours	\$90.00	\$900.00
Geomatics	5	hours	\$80.00	\$400.00
Vehicle day rate	3	days	\$150.00	\$450.00
Mileage	1500	km	\$1.00	\$1,500.00
Sampling/Laboratory/ Environmental Services	10	samples	\$450.00	\$4,500.00
Removal & Disposal of Contaminated Materials	50	m ³	\$350.00	\$17,500.00
Subtotal			\$3,361.00	\$35,400.00
Contingency			30%	\$10,620.00
Total				\$46,020.00

Should you require additional information please contact me at (403) 292-8034 or blikuski@ppr.ca.

Sincerely,

PRAIRIE PROVIDENT RESOURCES CANADA INC.



Brad Likuski
Vice President, Operations

COST ESTIMATE

Proof of Financial Responsibility	Qty	Unit	Unit Cost	Qty x Unit
Office Activities				
Consulting Services Fees				
Project Management	20	/hr	\$ 150.00	\$ 3,000.00
Spill Professional	35	/hr	\$ 90.00	\$ 3,150.00
Geomatics	5	/hr	\$ 80.00	\$ 400.00
Reporting	10	/hr	\$ 90.00	\$ 900.00
Sub-Total Office Activities				\$ 7,450.00
Field Activities (Hourly)				
Vehicle Rates				
Mileage (> 150 km / day)	1500	/km	\$ 1.00	\$ 1,500.00
Vehicle Day Rate (<= 150 km travel/day)	3	/day	\$ 150.00	\$ 450.00
Sub-Total Field Activities				\$ 1,950.00
3rd Party Costs & Disbursements				
Sampling/Laboratory/Environmental Services	10	Unit	\$ 450.00	\$ 4,500.00
Removal & Disposal of Contaminated Materials	50	m3	\$ 350.00	\$ 17,500.00
Hydrovac	2	/day	\$ 2,000.00	\$ 4,000.00
Contingency		30%		\$ 10,620.00
Sub-Total 3rd Party Costs & Disbursements				\$ 36,620.00
Regulatory Applications Total				\$ 46,020.00

Notes

- A GST is not included
- B This is just an estimate, change orders will be provided for changes of scope but cost will be billed at applicable bill rates provided
- C Progress invoices will be provided on a monthly basis, with payments due Net 30 days

Client Approval:

Approved on: _____
 Approved by: _____

 Print Name

 Signature