



NWT OFFICE OF THE REGULATOR OF OIL AND GAS OPERATIONS

Office of the Regulator of Oil and Gas Operations

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Angie Stastook
Specialist Asset Liability & EGS
Prairie Provident Resources Canada Ltd.
1110, 640 – 5th AVENUE SW
CALGARY AB T2P 3G4

December 17, 2021

Dear Angie Stastook:

Letter of Decision: Application for an Operations Authorization, Abandonment of the Mount Coty 2K-02 and S. Pointed Mountain L-68 Wells (OA-2021-001-PPR)

On June 29, 2021, the Office of the Regulator of Oil and Gas Operations (OROGO) received a complete application for an Operations Authorization (OA) from Prairie Provident Resources Canada Ltd. (Prairie Provident) for the abandonment of the Mount Coty 2K-02 (WID1993) and S. Pointed Mountain L-68 (WID1207) wells.

Prairie Provident also filed additional information with OROGO in response to the following Information Requests:

Information Request No. 1 – received from Prairie Provident on July 19, 2021;
Information Request No. 2 – received from Prairie Provident on August 4, 2021;
Information Request No. 3 – received from Prairie Provident on September 20, 2021; and
Information Request No. 5 (Information Request No. 4 was skipped due to an administrative error) – received from Prairie Provident on October 25, 2021.

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.

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

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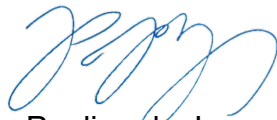
I make the following findings with respect to Prairie Provident's application for an Operations Authorization:

1. Prairie Provident'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 Prairie Provident 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-2021-001-PPR were previously subject to preliminary screening by the Mackenzie Valley Land and Water Board under Land Use Permits MV2003A0005 and MV2010A0016. The proposed activities have not since been modified. Therefore, I have determined that Prairie Provident's application is exempt from preliminary screening as per Schedule 1, Paragraph 2.1 of the *Exemption List Regulations* under the MVRMA. I have notified the Mackenzie Valley Environmental Impact Review Board of this determination.
3. Land Use Plan Conformity – The proposed activities take place near the community of Fort Liard in the Dehcho region of the NWT. They do not fall within the boundaries of a Land Use Plan approved under the MVRMA. Therefore, there is no requirement to assess land use plan conformity under the MVRMA.
4. Indigenous and community consultation – Prairie Provident has conducted consultation and engagement activities with the Hamlet of Fort Liard and the Acho Dene Koe First Nation. The proposed activities are intended to reduce impact on existing or asserted Aboriginal rights by abandoning the Mount Coty 2K-02 and S. Pointed Mountain L-68 wells. Taking into account the nature and scale of the activity and the concerns raised, consultation undertaken by Prairie Provident on the activities proposed under OA-2021-001-PPR is adequate.
5. Proof of Financial Responsibility – Prairie Provident 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.

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.

Prairie Provident's application is approved, subject to the terms contained in the attached Operations Authorization. Prairie Provident 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-2021-001-PPR

OPERATIONS AUTHORIZATION

Subject to the terms listed below, authorization 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	Company Operating Licence #
Prairie Provident Resources Canada Ltd.	NWT-OL-2017-001
Responsible Officer and Title	
Angie Stastook, Specialist Asset Liability & EGS	

to proceed with the works and activities described in its June 29, 2021 application for

Scope of Work	Settlement Area or Region
Maintenance, monitoring, inspection and abandonment of the Mount Coty 2K-02 and S. Pointed Mountain L-68 wells.	Dehcho

This authorization may be varied by the Regulator or its delegate under Section 10 of the *Oil and Gas Operations Act*.

This authorization expires on November 30, 2024.

Dated at Yellowknife, Northwest Territories on December 17, 2021.

Name of Regulator / Delegate	Signature of Regulator / Delegate
Ms. Pauline de Jong	
Title Regulator	

ADDITIONAL TERMS

1. Prairie Provident Resources Canada Ltd. 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. Prairie Provident Resources Canada Ltd. 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. Prairie Provident Resources Canada Ltd. shall cause the approved work and activities to be conducted in accordance with the specifications, standards and other information referred to in its application and subsequent submissions.
4. Prairie Provident Resources Canada Ltd. 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. Prairie Provident Resources Canada Ltd. shall submit to OROGO an updated operator contact list for this program prior to any work or activity.
6. Prairie Provident Resources Canada Ltd. 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.
7. Pursuant to section 67 of the *Oil and Gas Drilling and Production Regulations*, Prairie Provident Resources Canada Ltd is approved to conduct controlled venting and flaring as part of well kill operations. Venting is approved utilizing separator packages and/or flare stacks to a maximum daily flow rate of 30 E3m³/day for a maximum daily duration of 4.0 hours per day and flaring is approved utilizing separator packages and/or flare stacks to a maximum daily flow rate of 30 E3m³/day and maximum daily duration of 4.0 hours per day. Prairie Provident Resources Canada Ltd. shall include the volume and composition of any amount of flared and/or vented gas in its daily report to OROGO. Flaring and/or venting of any volume, daily volume rate and/or duration greater than the approved maximum daily flow shall be reported to OROGO as an incident under section 75 of the *Oil and Gas Drilling and Production Regulations*.
8. Prairie Provident Resources Canada Ltd. shall submit consolidated Safety, Environmental Protection and Contingency Plans 30 days prior to commencement of operations. These plans should include the respective concordance tables, updated information and finalized organizational chart with key personnel names and contact information.