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Ms. Pauline de Jong  
Executive Director  
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Government of the Northwest Territories  
PO Box 1320  
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February 5, 2024

**Re: Abandonment Extension Request, South Pointed Mountain L-68 Well (ACW-2021-PPR-L-68WID1207) — Prairie Provident Resources (PPR)**

I am writing in respect to Prairie Provident Resources' last remaining abandonment operation for the wells operated in the Northwest Territories (NT).

PPR has been very active in the past 3 years, executing two major abandonment programs with significant labor and capital requirements, having spent \$5.2 MM to date. PPR has made it a priority to ensure that it has continually met and progressed its regulatory requirements.

The K-02 well was Abandoned and cut and capped February 22, 2022, and the required gas migration testing was completed. The K-02 well status has now been changed to Abandoned (effective Jan 23, 2024).

The zonal Abandonment of L-68 was completed in August of 2023. The operations were successful in remediating the high wellbore pressure and abandoning the perforations leaving the well in a benign state. The non-serious SCVF at L-68 remains in a stable and safe state as the result of PPR's efforts in the summer of 2023. The state of the wellbore poses no risk to people, equipment, or the environment. PPR is compliant in its requirement to complete yearly inspections and is committed to the inspection schedule listed in the table below.

<b>South Pointed Mountain L-68</b>	<b>Current Deadline</b>	<b>Requested Extension Deadline</b>
Inspection	Between April 1 and April 30, 2024	No Change - April 30, 2024
Inspection	August 30, 2024	No Change - August 30, 2024
Inspection	Between April 1 and April 30, 2025	Added Inspection
Inspection	August 30, 2025	Added Inspection
Inspection	Between April 1 and April 30, 2026	Added Inspection
Abandonment Operations Deadline	September 15, 2024	September 15, 2026
OA expiry	November 30, 2024	November 30, 2026
Mackenzie Valley Land and Water Board-Land Use Permit	August 1, 2025	August 1, 2026

PPR is seeking an abandonment extension until September 15, 2026, and an extension of The Operations Authorization, OA-2021-001-PPR, until November 30, 2026. Four significant items make it necessary for the request of an extension, as detailed below.

- 1) PPR is waiting on frost free conditions to test the SCVF (April 2024) to obtain new pressure and gas samples and to evaluate if the zonal abandonment has been eliminated, changed, or reduced. The additional time and information will allow PPR to review, and pre-plan the execution of the required remediation work. The results of this information may significantly change the approach to effectively mitigate the SCVF. It is premature to move ahead with planning without additional data and analytical results.
- 2) In October of 2023, PPR entered into two separate agreements agreeing to divest multiple operating properties in Alberta. PPR intended to use the proceeds of these transactions to meet our closure obligations in NT. One transaction is awaiting a close date, and the second large transaction is waiting for regulatory approval. The delay in the closing of these transactions has now significantly delayed our ability to plan and execute the L-68 Well Abandonment in the 2024 summer season.
- 3) PPR has historically worked with other operators in the area. This has allowed a significant reduction in the environmental impact of the required operations as well as increased operational efficiencies and safety. However, due to the delay of our program timing, and

the timing of our testing requirements is making it very difficult to efficiently commit to a plan with other operators regarding our 2024 program.

- 4) PPR has continually made significant progress on all regulatory obligations in NT towards closure. The extension to September 15, 2026, is in-line with other operator's timelines in NT and ensures that we are set up for the successful abandonment of our final well.

In summary, PPR is fully committed to closure, as is evident from all historical activities and financial resources committed to the Territory. Operations in NT are complex containing many logistical components. Our past operations have continually proven to be challenging with specialized services, significant lost days, logistical issues, environmental challenges (river depth and wildfire season), and unforeseen technical complications. The remainder of the L-68 abandonment is the most complex. PPR appreciates OROGO's understanding of our requirements regarding further testing of the SCVF, a regulatory delay for a large divestiture, and our need to work with other operators to reduce our environmental impact and increase efficiencies. PPR is seeking an abandonment extension request until September 15, 2026, and extension of The Operations Authorization, OA-2021-001-PPR, until November 30, 2026.

Yours Truly,



**Ryan E. Rawlyk, P.Eng.**  
President & Chief Executive Officer

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