



NWT OFFICE OF THE REGULATOR OF OIL AND GAS OPERATIONS

Office of the Regulator of Oil and Gas Operations

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Chris Moger
Surface Landman
Suncor Energy Inc.
P.O. Box 2844
150 – 6th Avenue S.W.
Calgary, Alberta T2P 3E3

August 10, 2021

Dear Chris Moger:

**Information Request No. 3: Suncor Energy Inc.
Proof of Financial Responsibility - Additional Information Required (OA-2021-003-SUN)**

On June 1, 2021, the Office of the Regulator of Oil and Gas Operations (OROGO) received a complete application for an Operations Authorization (OA) for the abandonment of the Tweed Lake M-47, Tweed Lake A-67 and Bele O-35 wells (OA-2021-003-SUN) in the Sahtu Settlement Region from Suncor Energy Inc. (Suncor).

OROGO issued information request No. 1 related to Proof of Financial Responsibility on June 6, 2021 and received Suncor's response on June 29, 2021. OROGO has reviewed the information provided by Suncor and requires additional information in order to complete its review of Suncor's OA application, as set out in the attached Information Request No. 3.

Prior to responding to this Information Request, please review the [Proof of Financial Responsibility Guidelines and Interpretation Notes](#) issued by the Regulator on April 9, 2021.

Please send your written responses and any associated correspondence to OROGO by email at oroogo@gov.nt.ca or through OROGO's secure file transfer site.

Please submit your response on or before 4:00 p.m. on August 26, 2021. If you are unable to respond within this timeframe or have any questions, please contact OROGO at (867) 765-8160 or by email at oroogo@gov.nt.ca.

Sincerely,

Pauline de Jong
Regulator

c. Margot Ferguson, Envirosearch Ltd.

Suncor Energy Inc. OA-2021-003-SUN
Application for an Operations Authorization
Abandonment of the Tweed Lake M-47, Tweed Lake A-67 and Bele O-35 Wells
Information Request No.3

3.1 Proof of Financial Responsibility

Preamble:

In its response to Information Request No. 1, Suncor Energy Inc. (Suncor) outlines potential worst-case scenarios that may occur during abandonment operations. However, Suncor did not provide estimated costs for a third party to conduct clean-up operations.

Proof of Financial Responsibility, as required under Section 64(1) of the *Oil and Gas Operations Act*, is intended to compensate the Government of the Northwest Territories or another third party in the event that Suncor does not adequately clean up a spill or debris.

The compensation may be for costs and expenses incurred cleaning up the spill or debris. It may also be for loss or damages incurred as a result of the spill or debris. Such a spill or debris may not come to light until **after** the winter work season during which it occurred. Estimates of third party costs cannot assume that existing access could be used and must include costs for construction of new access in case a spill is discovered after the operation is finished. Similarly, estimates for third party costs must include camp and accommodation costs.

Section 6 of the *Proof of Financial Responsibility Guidelines and Interpretation Notes* clearly states that access and accommodation costs must be included in any Proof of Financial Responsibility estimates submitted to the Regulator.

Request:

Please provide the following information:

- An estimate of the cost to clean up the worst-case scenario that could occur from a spill or debris during the operation which includes the following information on third party costs:
 - Estimate for a third party to construct new access in the event that a spill is discovered after the winter work season is completed; and
 - Camp or accommodation costs to house third party personnel.