



NWT OFFICE OF THE REGULATOR OF OIL AND GAS OPERATIONS

Office of the Regulator of Oil and Gas Operations

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September 17, 2024

Dear Greg Heffel and Dara Schmidt:

Information Request No. 7: Request to Vary OA-2021-003-SUN

On September 9, 2024, the Office of the Regulator of Oil and Gas Operations (OROGO) received a request from Suncor Energy Inc. (Suncor) to vary OA-2021-003-SUN variation 1 by further extending the deadline for abandoning Suncor's wells in the Sahtu Settlement Area to October 31, 2025.

Although Suncor's correspondence indicates that a request for variation to OA-2021-003-SUN will be submitted on September 30, 2024, OROGO considers the extension request to be a request for variation, as the current abandonment deadline of March 31, 2025, is part of the OA. This is Suncor's third request for variation to this OA.

OROGO has reviewed the information provided by Suncor in its letter of September 9, 2024, and requires additional information to complete its review of Suncor's request, as set out in the attached Information Request No. 7.

Please send your written responses and any associated correspondence to OROGO on or before 4:00 p.m. on October 2, 2024, by email to oro.go@gov.nt.ca or through OROGO's secure file transfer site.

If you are unable to respond within this timeframe or have any questions, please contact OROGO at 867-767-9097 or by email at oro.go@gov.nt.ca.

Sincerely,



Pauline de Jong
Regulator

Attachment: Information Request No. 7

Suncor Energy Inc.
Application to Vary OA-2021-003-SUN
Information Request No. 7

7.1 Staging of Equipment in 2024 to Support Operations

Preamble:

In its December 12, 2022, application to extend the abandonment deadline for its wells in the Sahtu Settlement Area to March 31, 2025, Suncor indicated that completing the abandonment process under OA-2021-003-SUN is a two-year process:

- Year 1: Equipment will be brought to Colville Lake on the winter road system.
- Year 2: The equipment in Colville Lake will be used to complete the abandonment operations.

On December 19, 2022, the Regulator approved Suncor's request for an extension of the abandonment deadline to March 31, 2025, based on this two-year process for completing the operations.

A [news release](#) on the Department of Infrastructure (GNWT) website indicates that Marine Transportation Services was able to deliver cargo and fuel to both Norman Wells and Fort Good Hope in summer 2023. Therefore, it was possible for Suncor to barge equipment to both those communities in summer 2023, in preparation for the 2024 winter road season.

In its letter of September 9, 2024, Suncor states that the winter road to Colville Lake was open to the maximum weight between February 29 and March 28, 2024. Therefore, it was possible for Suncor to move equipment to Colville Lake using the winter road system in winter 2024.

Based on Suncor's request for extension dated September 9, 2024, OROGO understands that Suncor has not staged any equipment to Colville Lake or elsewhere in the NWT to complete the well abandonments by March 31, 2025.

Request:

Please provide:

- A detailed explanation why Suncor chose not to stage equipment to complete its abandonments in the Sahtu Settlement Area in winter 2024 as approved; and
- A description of how Suncor intends to meet the March 31, 2025, abandonment deadline in the event its request for an extension is not approved.

7.2 Use of Heli-Portable Operations

Preamble:

Suncor's extension request dated September 9, 2024, is based on completing the abandonment operations using heli-portable equipment, rather than the service rig and associated equipment currently approved under OA-2021-003-SUN.

Suncor's request indicates that it made the decision to change to a heli-portable operation after receiving the Regulator's decision of February 21, 2024, to remove the requirement for remedial isolation of the uncemented portion of the wellbore. Suncor then indicates that, for various reasons, it has not been able to complete the abandonments using heli-portable equipment to date and will not be able to do so by March 31, 2025, the current abandonment deadline.

However, the Regulator's February 21, 2024, decision states that Suncor must apply to OROGO if it wishes to vary its well abandonment programs based on that decision.

On June 5, 2024, Suncor submitted a Basis of Design document to OROGO that proposed an abandonment strategy reflecting the February 21, 2024, decision, and requested an "operational determination" from the Regulator in response.

On June 19, 2024, OROGO staff met with Suncor staff and discussed Suncor's planned gas migration testing of its suspended wells in the Sahtu Settlement Area. Suncor discussed the results of pressure testing the wells to demonstrate that the casings and existing zonal barriers were in a state to support a heli-portable abandonment.

On June 24, 2024, Suncor submitted to OROGO Daily Completion and Workover reports for the wells, demonstrating that they were pressure tested on June 1, 2024, and June 2, 2024, and passed the tests.

On July 17, 2024, the Regulator issued a decision in response to Suncor's June 5, 2024, request. The decision stated that, although the proposed methodology meets the requirements of the *Oil and Gas Drilling and Production Regulations* and the *Well Suspension and Abandonment Guidelines and Interpretation Notes*, it is based on assumptions about the state of the wells that requires confirmation through cement bond logs. The Regulator concluded that, if Suncor wished to change the abandonment programs to reflect the new methodology, it must submit additional information to OROGO by August 6, 2024, as follows:

- Existing cement bond logs for the Tweed Lake M-47 and A-67 wells;
- Variation requests for the well approvals for all three well abandonments reflecting the change in methodology; and
- A request for extension to the abandonment deadline for the wells, including a comprehensive explanation of steps taken to meet the existing deadline and rationale for the extension request.

Suncor submitted the existing cement bond logs to OROGO prior to August 6, 2024. However, it did not submit the variation requests and request for extension to the deadlines as directed. Instead, it submitted a letter to OROGO on August 6, 2024, indicating that these items would be submitted to OROGO by November 1, 2024. Therefore, the Regulator issued a Notice of Non-Compliance to Suncor on August 12, 2024, with direction to submit the variation requests and extension request, if necessary, to OROGO by September 9, 2024.

Suncor's September 9, 2024, submission:

- Includes variation requests for the well approvals for each well abandonment, but these documents focus on the down-hole aspects of the abandonments and do not speak specifically to heli-portable operations.
- States that it will apply to vary OA-2021-003-SUN, presumably to allow for heli-portable operations, on September 30, 2024.

Suncor does not currently have approval to proceed with heli-portable operations.

Request:

Please provide:

- A detailed explanation why Suncor is requesting an extension due to the lack of available heli-portable equipment when it has not yet received approval to conduct heli-portable operations.
- A comprehensive description of all efforts Suncor has made to complete the well abandonments by the current deadline of March 31, 2025.