



NWT OFFICE OF THE REGULATOR OF OIL AND GAS OPERATIONS

Office of the Regulator of Oil and Gas Operations

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Jonathon Michel
Director, Aurora Campus
Aurora College
PO BOX 1008
INVUVIK NT X0E 0T0

July 11, 2023

Dear Jonathon Michel:

Information Request No. 6: Aurora Training Well Abandonment (OA-2022-001-AC)

On December 12, 2022, the Office of the Regulator of Oil and Gas Operations (OROGO) received a complete Operations Authorization (OA) application from Canadian Petroleum Engineering Inc., on behalf of Aurora College, for the abandonment of the Aurora Training Well G-04 (WID1915) in the Gwich'in Settlement Area. OROGO also received Aurora College's response to Information Requests as follows:

- Information Request No. 1 – received on February 6, 2023
- Information Request No. 2 – received on March 1, 2023
- Information Request No. 3 – received on May 1, 2023
- Information Request No. 4 – received on May 26, 2023
- Information Request No. 5 – received on June 16, 2023.

OROGO has reviewed the information provided by Aurora College and requires additional information to complete its review of Aurora College's OA application, as set out in the attached Information Request No. 6.

Please send your written responses and any associated correspondence to OROGO at oro.go@gov.nt.ca or through OROGO's secure file transfer site, **on or before 4:00 pm July 19, 2023**. 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

Encl. Information Request No. 6

- c Jeff O'Keefe, Vice-President, Aurora College
- Glenda Vardy Dell, President, Aurora College
- Lorne Hammer, Canadian Petroleum Engineering Inc.
- Ron McCosh, Canadian Petroleum Engineering Inc.

Information Request No. 6
Aurora Training Well G-04 Abandonment
OA-2022-001-AC

6.1 Rationale for Deadline Extension

Preamble:

As communicated by the Notice of Non-Compliance issued by the Regulator on April 20, 2023, Aurora College is non-compliant with the January 31, 2023, deadline for abandonment of the Aurora Training Well G-04 (WID1915) established in the *Well Suspension and Abandonment Guidelines and Interpretation Notes*, issued under section 18 of the *Oil and Gas Operations Act*.

Based on this non-compliance, the Regulator issued direction to Aurora College on April 20, 2023, to, among other things, complete the well abandonment by August 31, 2023.

Aurora College's response to Information Request No. 4, received on May 26, 2023, proposed operations beginning on July 16, 2023, with the required pre-abandonment gas migration testing. The proposed schedule then includes the abandonment and cutting and capping operations, ending on August 30, 2023. The proposed schedule complies with the Regulator's direction.

On June 29, 2023, Aurora College provided the required proof of financial responsibility to obtain its Operations Authorization (OA) for the abandonment. The only outstanding requirement for the OA is confirmation that Aurora College's benefits plan for this activity has been approved by the Minister of Industry, Tourism and Investment, or that requirement has been waived by the Minister.

On July 10, 2023, six days before the proposed start of abandonment operations, Aurora College sent an email to OROGO appearing to request an extension to the deadline for abandoning the well. Aurora College does not suggest an alternative deadline by which it will commit to completing the required abandonment or acknowledge the Regulator's direction to complete the abandonment by August 31, 2023.

OROGO requires additional information to consider Aurora College's request for an extension.

Request:

Submit a detailed rationale for Aurora College's request to extend the deadline for abandonment of the Aurora Training Well G-04, including:

- An explanation of the timing of this request, given that operations are proposed to begin on July 16, 2023.
- A justification for this request that acknowledges OROGO's efforts to communicate its requirements to Aurora College since 2017 and the Regulator's April 20, 2023, direction.

- A rationale for the extension that addresses the Regulator’s mandate under OGOA for safety and environmental protection.
- A date by which Aurora College is prepared to commit to abandoning the well in accordance with all legislative and regulatory requirements.

6.2 Exemptions to Regulatory Requirements

Preamble:

On July 10, 2023, Aurora College sent an email to OROGO appearing to request exemptions from some of the regulatory requirements for the abandonment of the Aurora Training Well G-04.

The regulatory requirements for well abandonment are described in the *Well Suspension and Abandonment Guidelines and Interpretation Notes* (Guidelines), issued by the Regulator under section 18 of the *Oil and Gas Operations Act* (OGOA). The Guidelines reflect the requirements established in OGOA and its regulations, as well as best practices common across western Canadian oil and gas regulators. The Guidelines acknowledge that other approaches to well abandonment may be acceptable: Section 1 states “applicants may suggest alternative approaches, where those approaches are demonstrated to meet or exceed the same standards [as the Guidelines] for the protection of human safety and the environment.”

Section 6 of the Guidelines describes the requirements for well abandonment. Section 6Ai, Requirements for Abandonment of Non Oil and Gas Wells, states that these wells may be abandoned as a Level II oil and gas well (described in section 6A of the Guidelines) or, with the Regulator’s approval, by cementing the well from total depth to at least the bottom 15 meters of the casing string. The latest version of Aurora College’s proposed abandonment program (submitted on May 26, 2023, in response to Information Request No. 4) is built on the requirements for a Level II oil and gas well.

OROGO requires additional information to consider Aurora College’s request for exemptions from the regulatory requirements established in the Guidelines.

Request:

Submit a detailed explanation of the exemptions requested, including:

- Which specific section(s) of the Guidelines Aurora College wishes to be exempt from.
- A rationale for each exemption, including a demonstration that Aurora College’s proposed approach meets or exceeds the standards established in the Guidelines for the protection of human safety and the environment.

If Aurora College wishes to pursue the alternative approach for the abandonment of non oil and gas wells described in section 6Ai of the Guidelines, submit a revised abandonment program that reflects section 6Ai, as well as the remaining requirements for all well abandonments contained in sections 6B to 6E of the Guidelines.

6.3 Benefits Plan

Preamble:

Under section 17 of the *Oil and Gas Operations Act*, the Regulator cannot issue an Operations Authorization without the Minister of Industry, Tourism and Investment's approval of, or waiver of the requirement for, a benefits plan.

In its response to Information Request No. 5, received on June 16, 2023, Aurora College stated that its Benefits Plan Waiver application was only received by Industry, Tourism and Investment (ITI) on July 5, 2023, but that ITI was aware of the timeline for the abandonment and was "actively working" on the application.

Aurora College has not yet provided confirmation from the Minister that its application to waive the requirement for a benefits plan has been approved.

Request:

Submit confirmation of the Minister of Industry, Tourism and Investment's decision in response to Aurora College's request for a waiver of the benefits plan requirement.