



NWT OFFICE OF THE REGULATOR OF OIL AND GAS OPERATIONS

Office of the Regulator of Oil and Gas Operations

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John Hawkins  
Director, Asset Management  
MGM Energy  
Suite 2800, 421 – 7<sup>TH</sup> AVE SW  
CALGARY AB T2P 4K9

September 15, 2023

Dear John Hawkins:

**Information Request No. 1: MGM Energy Application for an Operations Authorization to Abandon the East Mackay I-78 Well (OA-2023-001-MGM)**

On August 30, 2023, the Office of the Regulator of Oil and Gas Operations (OROGO) received a complete application from MGM Energy (MGM) for an Operations Authorization (OA) for the proposed abandonment of the East Mackay I-78 well (WID2078) near Tulita in the Sahtu Settlement Area.

OROGO has reviewed MGM's application and requires additional information, as set out in the attached Information Request No. 1.

Please send your written responses and any associated correspondence to OROGO at [orogo@gov.nt.ca](mailto:orogo@gov.nt.ca) or through OROGO's secure file transfer site, on or before 4:00 p.m. on October 3, 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 [orogo@gov.nt.ca](mailto:orogo@gov.nt.ca).

Sincerely,

Pauline de Jong  
Regulator

Encl. Information Request No. 1

**MGM Energy (MGM)**  
**Application for an Operations Authorization (OA-2023-001-MGM)**  
**Information Request No. 1**

**1.1 Insurance Coverage**

**Preamble:** MGM's OA application package states that "Paramount [MGM's parent company] is fully insured for oil and gas operations in Western Canada".

**Request:** Please provide a certificate of insurance confirming MGM's coverage for the proposed activities.

**1.2 Proof of Financial Responsibility - Basis for Proposed Amount**

**Preamble:** MGM's application package proposes proof of financial responsibility in the amount of \$562,166, the same amount required by the Regulator for MGM's other OA in the Sahtu Settlement Area (OA-2019-002-MGM – not yet issued).

MGM's application package appears to propose that MGM would provide this amount as proof of financial responsibility for both OA-2023-001-MGM and OA-2019-002-MGM, as the operations will not occur at the same time.

MGM's application package does not provide the information required under section 6 of the [\*Proof of Financial Responsibility Guidelines and Interpretation Notes\*](#) (sub-section: Application Requirements). The Regulator requires this information to determine the appropriate amount of proof of financial responsibility for the operation.

**Request:** Please provide the information required under section 6 of the *Proof of Financial Responsibility Guidelines and Interpretation Notes* (sub-section: Application Requirements).