



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 Corp.
Suite 2800, 421 – 7 AVE SW
CALGARY AB T2P 4K9

January 4, 2024

Dear John Hawkins:

Decision: Application for an Operations Authorization (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 Corp. (MGM) for an Operations Authorization to abandon the East Mackay I-78 well (WID2078) in the Sahtu Settlement Area of the Northwest Territories.

OROGO also received MGM's response to information requests as follows:

Information Request No. 1 – received on September 29, 2023; and
Information Request No. 2 – received on November 3, 2023.

The Regulator, designated under section 121 of the *Oil and Gas Operations Act* (OGOA), may issue an Operations Authorization under section 10(1)(b) of that act. On August 2, 2020, the Commissioner in Executive Council designated me as the Regulator under section 121 of OGOA.

The Regulator must fulfill their obligations as a regulatory authority under the *Mackenzie Valley Resource Management Act* (MVRMA). They must also determine the adequacy of Aboriginal consultation, where a decision has the potential to adversely impact an asserted or existing Aboriginal right.

I make the following findings with respect to MGM's application for an Operations Authorization:

.../2

1. Proposed Activities - MGM's application and supplemental information submissions satisfy the minimum application requirements of OGOA and of section 5 of the *Oil and Gas Drilling and Production Regulations* (OGDPR) in relation to the proposed activities. I am persuaded that MGM intends to conduct the proposed activities in a manner consistent with the purposes set out in OGOA.
2. Preliminary Screening – The activities proposed under OA-2023-001-MGM were subject to preliminary screening by the Sahtu Land and Water Board under Land Use Permit S22A-002. I have adopted the preliminary screening determination for S22A-002 and have advised the Mackenzie Valley Environmental Impact Review Board of this determination.
3. Land Use Plan Conformity – The proposed activity takes place in the Sahtu Settlement Area of the Northwest Territories and is subject to the Sahtu Land Use Plan. I have considered the applicable conformity requirements and am persuaded that the proposed activity is in conformity with the Sahtu Land Use Plan. My review is documented in the *OROGO Record of Applications & Authorizations Under the SLUP* and will be provided to the Sahtu Land Use Planning Board.
4. Indigenous and Community Consultation – MGM has conducted consultation and engagement activities with the Deline Got'ine Government, Fort Norman Metis Nation Local #60 Land Corporation, Fort Norman Renewable Resources Council, Government of the Northwest Territories, Hamlet of Tulita, Norman Wells Land Corporation, Norman Wells Renewable Resources Council, Sahtu Land Use Planning Board, Sahtu Renewable Resources Board, Sahtu Secretariat Inc., Sahtu Land and Water Board, Town of Norman Wells, Tulita Band Council, Tulita District Land Corporation, Tulita Land Corporation, and Yamoga Land Corporation, as well as others who participated in the preliminary screening process. The proposed activities are intended to reduce impact on existing or asserted Aboriginal rights by abandoning the East Mackay I-78 (WID2078) well. Considering the nature and scale of the activity and the concerns raised, consultation undertaken by MGM on the activities proposed under OA-2023-001-MGM is adequate.

5. Proof of Financial Responsibility – MGM has provided satisfactory proof of financial responsibility in accordance with sections 13 and 64(1) of OGOA. This proof of financial responsibility must remain in force for the duration of the activity and for one year after the East Mackay I-78 well (WID2078) has been successfully abandoned.
6. Safety – I have consulted with the Chief Safety Officer, in accordance with section 12 of OGOA, and am satisfied with the safety of the proposed activities.

MGM's application is approved, subject to the terms contained in the attached Operations Authorization.

MGM must post a copy of the attached Operations Authorization in a clearly visible location at the work site.

Sincerely,



Pauline de Jong
Regulator

Encl. Operations Authorization OA-2023-001-MGM

OPERATIONS AUTHORIZATION

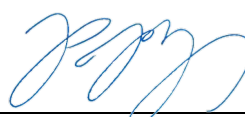
Subject to the terms listed below, operations authorization **OA-2023-001-MGM** is granted under Section 10 of the *Oil and Gas Operations Act* and Part 2 of the *Oil and Gas Drilling and Production Regulations* to

Company Name	Operating Licence #
MGM Energy Corp.	NWT-OL-2014-009
Responsible Officer	
John Hawkins, Director Asset Management	

for

Scope of Work	Region
Abandonment	Sahtu

This authorization expires on **October 31, 2025**.

Issued at	Issued on
Yellowknife, Northwest Territories	January 4, 2024
Issued by	Signature
Pauline de Jong, Regulator	

Additional Terms

1. MGM Energy Corp. shall cause the approved work and activities to be conducted in accordance with the requirements of the *Oil and Gas Operations Act* and the *Oil and Gas Drilling and Production Regulations*, as well as any other acts or legislation as may apply.
2. MGM Energy Corp. shall cause the approved work and activities to be conducted in accordance with any guidelines and/or interpretation notes issued by the Regulator under section 18 of the *Oil and Gas Operations Act*.
3. MGM Energy Corp. shall cause the approved work and activities to be conducted in accordance with the specifications, standards and other information referred to in its application dated August 30, 2023, and subsequent submissions.
4. MGM Energy Corp. shall request approval from the Regulator prior to undertaking any change to or deviation from the authorized work or activities, including but not limited to key personnel, the safety plan, the environmental protection plan, and contingency plans.
5. MGM Energy Corp. shall provide all staff and contractors for this program with its Emergency Response Plan and the OROGO 24-hour Incident Reporting phone number (867-445-8551) prior to commencing any work or activity.
6. MGM Energy Corp. shall submit to OROGO an updated operator contact list for this program prior to any work or activity.
7. MGM Energy Corp. shall submit consolidated Safety, Environmental Protection, and Contingency Plans 15 days prior to commencement of operations. These plans should include the respective concordance tables, updated information, and finalized organizational chart with key personnel names and contact information.