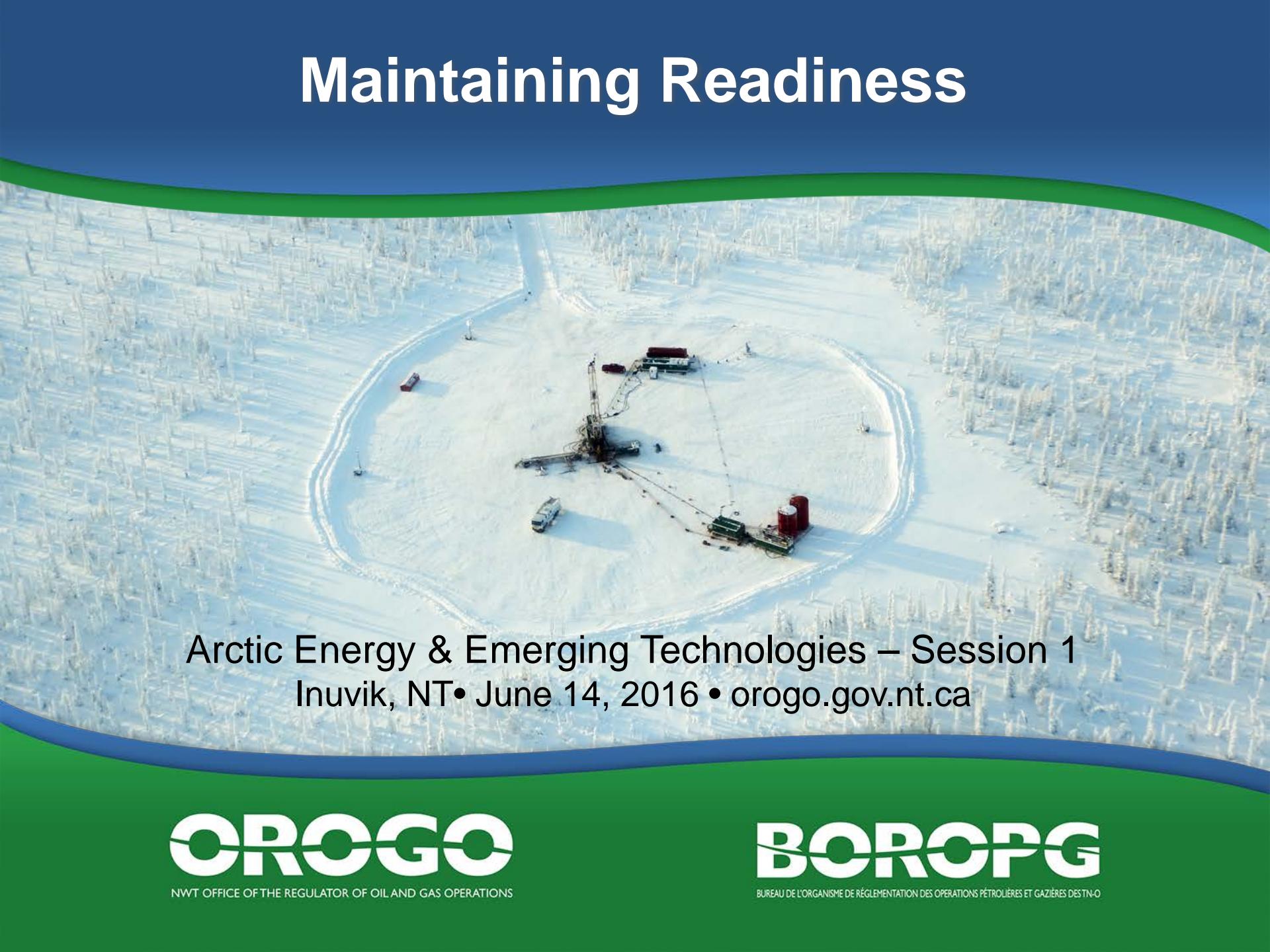


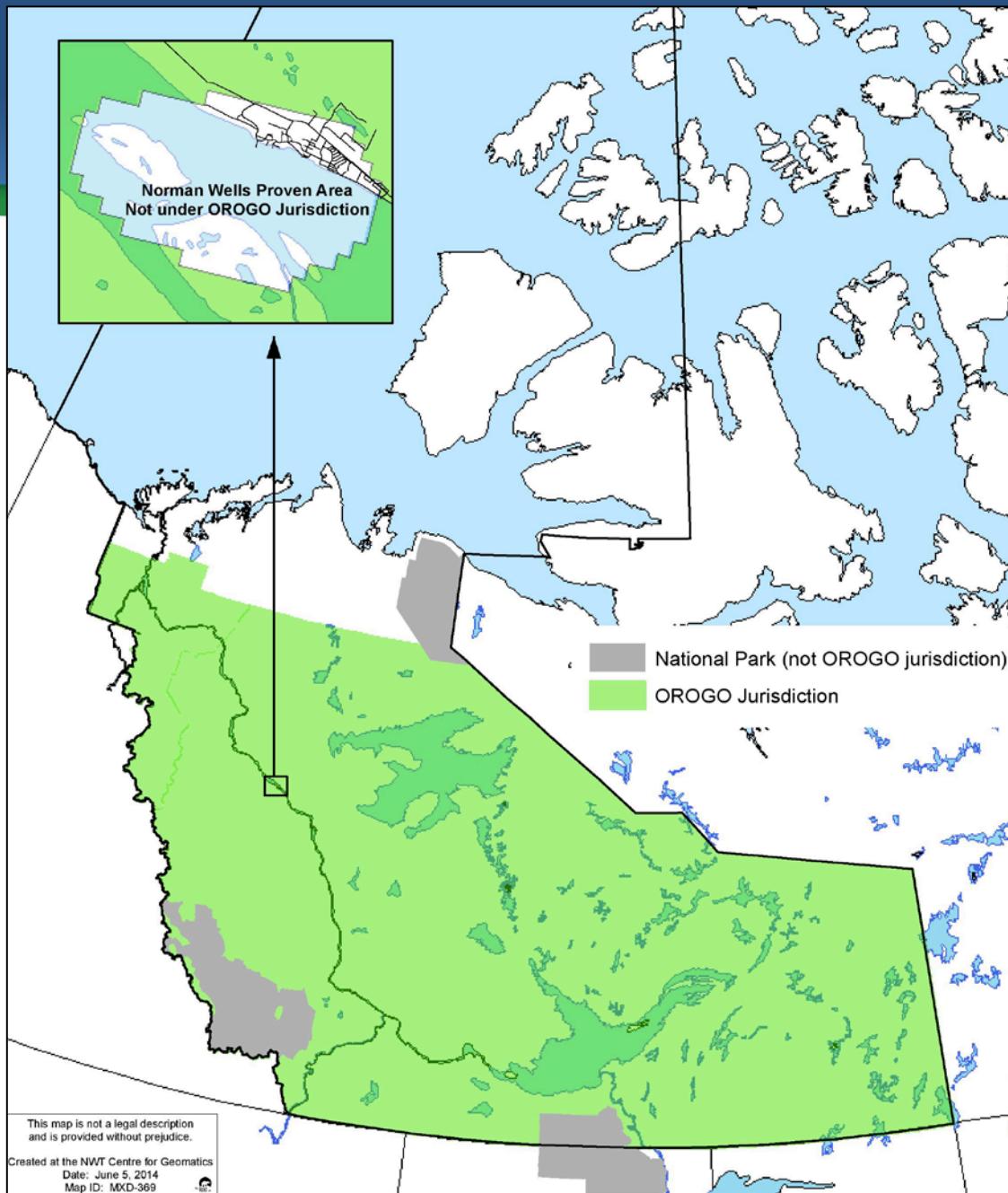
Maintaining Readiness

An aerial photograph of an oil and gas drilling site in a snowy, arctic landscape. The site is located in the center of a cleared area, surrounded by a dense forest of snow-covered trees. A large, multi-level building with a red roof is the central structure. A tall derrick is positioned to the left of the building. Several smaller buildings and industrial equipment are scattered around the site. A network of tracks and roads leads to and from the site. The surrounding terrain is a mix of snow and exposed ground.

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What is OROGO?

- Established on April 1, 2014 to support the GNWT Regulator of Oil and Gas Operations
- Office of six located in Yellowknife
 - Service agreements with the NEB and AER
- Responsible for regulating upstream oil and gas activities in most of the onshore Northwest Territories



Mandate

- The mandate of the oil and gas Regulator is set out in the *Oil and Gas Operations Act*
 - Primarily to ensure human safety and protection of the environment
- No mandate to promote oil and gas development
- Separate decision-making function from the GNWT

Just What is Out There?

- Considerable potential for exploration and production
- Significant conventional and “unconventional” petroleum discoveries
 - Cameron Hills, Liard, Colville Lake
 - NWT portion of the Liard Basin Shales
 - Canol Shale

Current State of Activity

- No new exploratory activity since inception
- No production since spring 2015
- Considerable field activity in the form of well maintenance and abandonments
- Companies taking steps to preserve future rights
 - SDD applications
 - MGP extension

Current State of Activity



What Is a Regulator To Do?

- Promote transparency
- Establish clarity of process
- Build capacity
- Improve the ways we work with others

Transparency

- Producing an Annual Report
- Showing how we regulate
 - Reasons for decision
 - Q&As
- Promoting the sharing of non-privileged information
 - Website
 - Operators' consent-to-disclose form

Clarity of Process

- Issuance of guidance under OGOA
 - Information Disclosure Guidelines
 - Draft Well Suspension and Abandonment Guidelines
- Coordinating process with other Regulators where it makes sense
 - NEB on MGP extension application
 - Land and Water Boards

Building Capacity

- Leveraging NEB & AER Service Agreements
- Develop in-house technical capacity and that of our partners
 - H2S Alive certification
 - Wellbore integrity workshop
- Making the most of opportunities

Working with Others

- Being responsive
- Building formal and informal relationships
 - MOUs with MVLWB, WSCC, NEB
- Jean Marie River and “Well Watch”

Conclusions

- While industry is cyclical, OROGO mandate for safety and environment does not change
- OROGO is focused on demonstrating the benefits of devolution
- OROGO is well-positioned for whatever the future might bring



Questions?

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BUREAU DE L'ORGANISME DE RÉGLEMENTATION DES OPERATIONS PÉTROLIÈRES ET GAZIÈRES DU NWT