

Ken Nikiforuk  
Manager, Completions  
Strategic Oil and Gas Ltd.  
1100, 645 – 7<sup>TH</sup> AVENUE SW  
CALGARY AB T2P 4G8

March 26, 2019

Dear Ken Nikiforuk:

**Letter of Decision:**  
**Application for An Amendment to ACW-2019-004-SOG-J-62-WID1158**

On March 20, 2019, the Office of the Regulator of Oil and Gas Operations (OROGO) received an application from Strategic Oil and Gas Ltd. (Strategic) to amend Well Approval ACW-2019-004-SOG-J-62-WID1158 for the suspension of the Cameron J-62 well. Strategic requests an extension of the Well Approval to April 1, 2020.

The Regulator, designated under section 121 of the *Oil and Gas Operations Act* (OGOA), may issue an Operations Authorization under section 10(1) of that act, subject to any Well Approvals that the Regulator may require under section 10(4) of OGOA. The Regulator may vary the terms of an Operations Authorization under section 10(6) of OGOA. The Regulator has delegated its powers under section 10 of OGOA to the Chief Conservation Officer, in accordance with section 8 of that act.

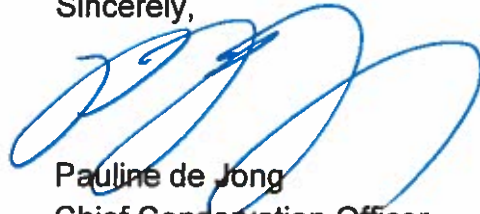
I have reviewed Strategic's application for an amendment and find that the proposed activity will be conducted safely, without waste and without pollution, in compliance with the *Oil and Gas Drilling and Production Regulations*. Therefore, Strategic's application for an amendment is approved, subject to the terms contained in the attached Well Approval.

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Note that the Cameron J-62 well is not in compliance with the *Well Suspension and Abandonment Guidelines and Interpretation Notes* (Guidelines). The deadline for bringing the well into compliance with the Guidelines, which was August 31, 2019, is also extended to April 1, 2020.

Strategic must post a copy of the attached Well Approval in a clearly visible location at the work site.

Sincerely,



Pauline de Jong  
Chief Conservation Officer

- Encl. Well Approval ACW-2019-004-SOG-J-62-WID1158, variation #1
- c. Alyssa Bruce, Manager, Land, Strategic Oil and Gas Ltd.

## WELL APPROVAL

Subject to the terms listed below, a well approval 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	Company Operating Licence #
Strategic Oil and Gas Ltd.	NWT-OL-2014-007
Responsible Officer and Title	
Ken Nikiforuk, Manager, Completions	


to proceed with the works and activities described in its February 25, 2019 application for

Type of Work	Settlement Area or Region
Suspension	South Slave
Scope of Work	
Suspension of the Cameron J-62 well.	

This approval, originally issued on February 25, 2019 under OA-1237-001, has been varied by the Regulator or its delegate under Section 10 of the *Oil and Gas Operations Act*.

This approval is extended under Operations Authorization OA-2018-003-SOG and expires on April 1, 2020.

Dated at Yellowknife, Northwest Territories on March 26, 2019.

Name of Regulator / Delegate	Signature of Regulator / Delegate
Ms. Pauline de Jong	
Title	
Chief Conservation Officer	

## ADDITIONAL TERMS

1. Strategic Oil and Gas Ltd. 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. Strategic Oil and Gas Ltd. 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. Strategic Oil and Gas Ltd. shall cause the approved work and activities to be conducted in accordance with the specifications, standards and other information referred to in its application and subsequent submissions.
4. Strategic Oil and Gas Ltd. shall request approval from the Chief Conservation Officer 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. Strategic Oil and Gas Ltd. shall meet the commitments made in its *Assessment of Cameron Hills October 2018* (filed with OROGO on October 5, 2018) with respect to addressing identified site safety and integrity deficiencies including well head maintenance in conjunction with the approved activity.
6. Strategic Oil and Gas Ltd. 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.
7. Strategic Oil and Gas Ltd. shall notify OROGO at least 10 days prior to the start of well abandonment operations.
8. Strategic Oil and Gas Ltd. shall submit to OROGO certificates and inspection documents for any service rig, well control and associated equipment (including boilers) at least 10 days prior to the rig commencing work.
9. Strategic Oil and Gas Ltd. shall submit to OROGO an updated operator contact list for this program prior to any work or activity.
10. Strategic Oil and Gas Ltd. shall submit to OROGO a completed Change of Well Status form 30 days after the service rig release date or when the operation has been successfully completed.

11. Strategic Oil and Gas Ltd. shall ensure that the Final Well Operations Report for the approved activity lists all work completed at each well site to address:
  - a. Draining, purging and integrity protection of pipes, tanks and pressure vessels;
  - b. Identification/signage requirements for suspended and/or out-of-service infrastructure;
  - c. Maintenance of all-season safe access and egress;
  - d. Maintenance of all safety equipment; and
  - e. Management of all other hazards to ensure human safety and protection of the environment.
  
12. Strategic Oil and Gas Ltd. shall report any emergency flaring or venting in accordance with section 67(b) of the *Oil and Gas Drilling and Production Regulations*.