

# ANNUAL REPORT 2020 2021



**CROGO**

NWT OFFICE OF THE REGULATOR OF OIL AND GAS OPERATIONS



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## ENGLISH

The Office of the Regulator of Oil and Gas Operations (OROGO) ensures oil and gas activities are conducted in a safe and environmentally responsible manner that conserves oil and gas resources.

For more information, visit [www.oro.go.nt.ca](http://www.oro.go.nt.ca)

## MESSAGE FROM THE REGULATOR

I am pleased to present this Annual Report on the activities of the Office of the Regulator of Oil and Gas Operations (OROGO) in 2020-2021.

I was designated the GNWT Regulator in August 2020, combining that role with my existing position as Executive Director. I would like to thank the Honourable Caroline Wawzonek, the previous Regulator, for her service and support for OROGO.



Pauline de Jong, Regulator, OROGO  
(Credit: Angela Gzowski)

OROGO's operations were affected by the COVID-19 pandemic in 2020-2021, as were those of many other organizations. In December 2020, the Chief Public Health Officer requested that, to the extent possible, no workers enter the NWT from other jurisdictions. As a result, all scheduled abandonment activity was deferred to winter 2022.

Although some plans changed, others remained on track. This year we were pleased to issue a number of new guidelines, both in response to the coming into effect of amendments to the *Oil and Gas Operations Act* and in an effort to support companies as they apply to us for Operations Authorizations and Well Approvals.

OROGO also continued to participate, albeit virtually, in many of the educational and outreach events that we normally attend, including the Geoscience Symposium.

The OROGO team had to be nimble, flexible and adaptable to fulfill our mandate in 2020-2021. I continue to be proud of what we have achieved and confident that we will continue to uphold our mission and vision in the coming year.



# THE REGULATOR

## MANDATE

The Regulator is designated by the Commissioner in Executive Council under the *Oil and Gas Operations Act* (OGO).

The Regulator's mandate is to regulate the exploration for and exploitation of oil and gas resources for the primary purposes of ensuring human safety, environmental protection and the conservation of those resources. The Regulator's mandate does not include promoting oil and gas-related development.

The Regulator's activities are governed by OGO, the *Petroleum Resources Act* (PRA) and the regulations under those Acts, as well as the *Mackenzie Valley Resource Management Act*.

## JURISDICTION

The Regulator has jurisdiction for the regulation of oil and gas works and activities in the onshore Northwest Territories (NWT), with the exception of the Inuvialuit Settlement Region and lands that were not transferred from the Government of Canada to the Government of the Northwest Territories with devolution on April 1, 2014. Within these boundaries, the Regulator has jurisdiction over oil and gas activities on Aboriginal settlement lands as well as other private lands.



## CREE

ōma masinahikew kamikos ohci ōma nahaw isihcikewin ohci pimiy mīna pahkitewipimiy pimiyahcikewin (OROGO) kehcinahiwewin pimiy mina pahkitewipimiy waskawiwin mīna kīkway ka nikaniskamihk eta kanaweyihtāmihk mīna isi nakayāskamowin kīkway ka nākatēyihāmihk tansi kesāyahk nema nahascikewin pahkitewipimiy isihcikewin

ohci ayiwak kwayaskomowewin kiyokata [www.oro.go.nt.ca](http://www.oro.go.nt.ca)



## RESPONSIBILITIES

The Regulator is responsible for:

- Considering applications for and issuing Operations Authorizations (including geophysical operations authorizations);
- Considering applications for and issuing Well Approvals for activities including drilling, re-entry, work overs, completion, recompletion, suspension and abandonment of a well or part of a well;
- Inspecting active and historic oil and gas facilities;
- Responding to incidents and spills at regulated oil and gas facilities;
- Considering applications for and issuing Significant Discovery Declarations and Commercial Discovery Declarations; and
- Issuing Operating Licences.

## DELEGATIONS AND APPOINTMENTS

### Delegations

Section 8 of OGOA allows the Regulator to delegate any of its powers under OGOA.

In 2020-2021, the Regulator delegated the authority to issue Operating Licences to Janpeter Lennie-Misgeld, the Chief Conservation Officer, from March 31, 2021 to April 5, 2021.

The PRA allows the Regulator to delegate its powers to issue Significant Discovery Declarations and Commercial Discovery Declarations. These delegations are made on a case-by-case basis.

No new delegations were made under the PRA in 2020-2021.

### Appointments

Section 4 of OGOA requires the Regulator to appoint a Chief Conservation Officer and a Chief Safety Officer.

Mike Martin, Senior Technical Advisor, was appointed Chief Safety Officer effective June 26, 2020.

Janpeter Lennie-Misgeld, Senior Advisor, Legislation and Policy, was appointed Chief Conservation Officer effective August 2, 2020.

Brian Heppelle, Senior Technical Advisor, was appointed Conservation Officer and Safety Officer effective June 26, 2020.



# THE OFFICE OF THE REGULATOR OF OIL AND GAS OPERATIONS

## ROLE

The role of the Office of the Regulator of Oil and Gas Operations (OROGO) is to support the Regulator in carrying out its statutory responsibilities under OGOA and the PRA.

## STRATEGIC PLAN

OROGO’s strategic plan, established in 2016-2017, sets out its mission, vision and strategic objectives.

### Mission

We regulate oil and gas activities to keep people safe and protect the environment where we live and work.

### Strategic Objectives



To enhance certainty and predictability in our actions and in regulatory decisions.



To promote accessibility and transparency in our work.



To build and maintain resilient working relationships.



To grow oil and gas regulatory capacity in the Northwest Territories.

### Vision

OROGO is a respected and effective regulator grounded in the values of Northerners.

## GWICH'IN

Aii Khaii akoo ts'at Nan T'at Guk'atr'inaatii kat (OROGO) nits'oo khaii gòo nan t'at hàh goo'aii danh tthak lòo nan diinagòo'ee gwà'àn tthak gwijzrii hàh gwint' àntr'ahkaii jì' geenjit guk' àndeht' inaatih.

Tth'aih hee jii geenjit gaviidàndai' yinothàn jì', jii gwits'at gwino'h'ii: [www.oro.go.nt.ca](http://www.oro.go.nt.ca)

## STAFF

Six staff members make up OROGO: the Executive Director; the Office Administrator; the Senior Advisor, Legislation and Policy; two Senior Technical Advisors; and the Manager, Information Office.

OROGO receives technical advice and support from the Canada Energy Regulator and the Alberta Energy Regulator through service agreements. OROGO is also able to access support from other regulators or consultants as may be required.

## LOCATION

OROGO's offices are located on the 4th floor of the Northwest Tower in Yellowknife. The public is invited to visit during working hours, weekdays between 8:30am and 5:00pm, except statutory holidays.



The OROGO Team, February 2021: Donna Schear (Office Administrator), Janpeter Lennie-Misgeld (Senior Advisor, Legislation and Policy), Brian Heppelle (Safety Officer), Pauline de Jong (Executive Director), Mike Martin (Chief Safety Officer), Kristen Cameron (Manager, Information Office). (Credit: Angela Gzowski)



## 2020-2021 ACTIVITIES

### APPLICATIONS

In 2020-2021, OROGO received:

- One application for an operations authorization;
- Four applications for well approvals;
- Three applications to amend an existing operations authorization or well approval;
- One application to change a well name (to reflect a change in ownership);
- Two core sample requests; and
- All annual reporting requirements for continued compliance including production reports, environmental reports and safety reports.

All well interventions planned for the winter 2020-2021 operating season were deferred until 2021-2022 due to the potential risk of COVID-19 transmission from personnel and crews entering the NWT from other jurisdictions to conduct well abandonment operations. This deferral resulted in decreased oil and gas activity in OROGO's jurisdiction as it pertains to suspension and abandonment, as shown in the table below.

Well abandonment programs continue to be driven by the *Well Suspension and Abandonment Guidelines and Interpretation Notes* (the Guidelines), which came into effect on February 1, 2017, establishing requirements for suspended and abandoned wells under OROGO's jurisdiction and deadlines for the safe abandonment of inactive wells.

#### 2020-2021 OA and Well Approval Applications Received

Type of Application	Application #	Purpose	Region
Operations Authorization	OA-2020-001	Well Abandonment	Dehcho
Well Approval	ACW-2020-001	Well Abandonment	Dehcho
Well Approval	ACW-2020-002	Well Abandonment	Dehcho
Well Approval	ACW-2020-003	Well Abandonment	Dehcho
Well Approval	ACW-2020-004	Well Abandonment	Dehcho

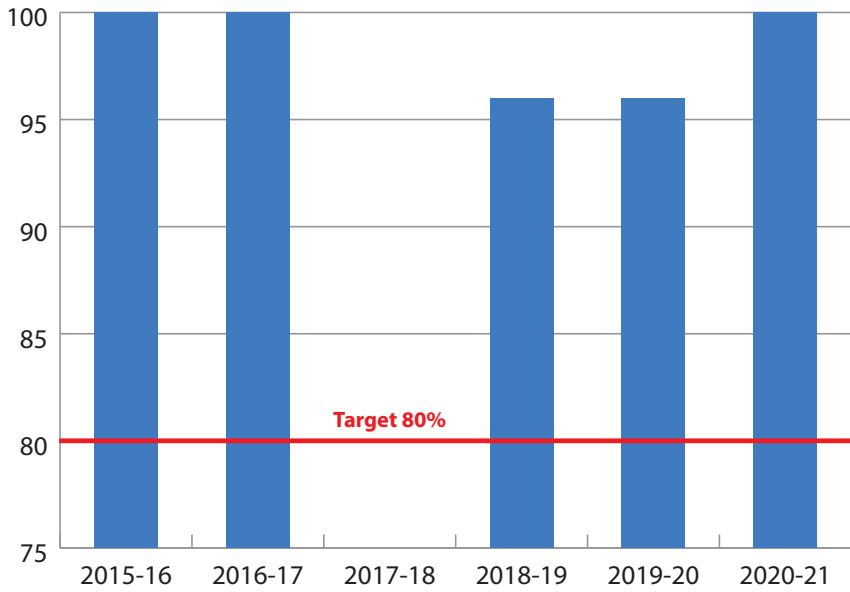
OROGO processed 100% of the applications received within its established service standards, well above its target of 80%.

#### INUINNAQTUN

Uqhuryuaplu Gaasiliiplu Aulapkiayit Munaqhiyiita Havakviat (OROGO) hapkunanik munaqhiavaktuq uqhuryuaplu gaasiliiplu hulilukaarutait aulatdjutainniklu ihuangnikkut aanningniattukkut nunaplu immaplu itdjuhiit ihumagittiaqhugit, uqhuryuaqarvigigamikik gaasiliiqarvigigamikiklu munarittiaqhugit atungniit pivaktut.

Appiqhuutiqaruvit ilihimattiarumaguvitluunniit hapkuninga, una takuurvia qaritauyakkut pulaanginiarialik: [www.oroغو.gov.nt.ca](http://www.oroغو.gov.nt.ca)

### Applications Processed Within Service Standard (%)



Since 2015-2016, OROGO has processed more than 80% of all applications for Operations Authorizations and Well Approvals within its established service standard.



Mike Martin, Chief Safety Officer, Cameron Hills, Sept 2020. (Credit: OROGO)



There is still work to be done on a number of non-compliant suspended wells, given the deferral of work planned for the 2021 winter season. OROGO anticipates that this work will occur in the winter 2022 work season. In addition, operators of suspended wells that were found to be in compliance with the Guidelines in 2017 have until 2023 to bring them back into production or abandon them. In order to manage the volume of applications expected, operators have provided plans for these activities to OROGO. OROGO has issued direction to operators regarding application submission deadlines for Operations Authorizations and Well Approvals. OROGO anticipates that there will be seven operators conducting 36 well abandonment operations in the 2021-2022 fiscal year.

OROGO also accepted the 2020 annual report from Imperial Oil Resources Limited on progress toward a “Final Decision to Construct” for the authorization applicable to the Mackenzie Gathering System component of the proposed Mackenzie Gas Project. The proponents indicated that the construction of the Mackenzie Gas Project is unlikely to begin prior to December 31, 2022.



## INSPECTIONS

OROGO's inspection activities in 2020-2021 fell into two categories:

- On-site inspections of authorized oil and gas activities; and
- Review of operator inspections of suspended wells.

OROGO staff conducted a 12 well site inspection in the Cameron Hills area in September 2020.

The *Oil and Gas Drilling and Production Regulations* also require operators to regularly monitor and inspect their suspended wells to ensure they are in good condition and are not leaking. In 2020-2021, OROGO received 28 inspection reports from the operators responsible for ongoing monitoring of suspended wells. Two required well inspections were not completed due to restrictions related to COVID-19 and have been deferred to the 2021-2022 fiscal year. OROGO staff reviewed all of these reports and followed up with operators to address any potential issues. Operator inspections identified two wells with a Surface Casing Vent Flow (SCVF) and significant shut in pressures at the well head not observed during previous inspections. OROGO required additional monitoring, containment, sampling and assessment of the SCVF and well head pressures to determine compliance with the *Well Suspension and Abandonment Guidelines and Interpretation Notes*. Once this was complete and the results provided to OROGO, the status of the wells was changed from compliant to non-compliant and their abandonment deadline was moved up to ensure safety and environmental protection.

## ORDERS

The Regulator did not issue any orders in 2020-2021.

### FRANÇAIS

Le Bureau de l'organisme de réglementation des opérations pétrolières et gazières (BOROPG) veille à ce que les activités pétrolières et gazières soient menées d'une manière sécuritaire et respectueuse de l'environnement en préservant les ressources en pétrole et en gaz naturel.

Pour en savoir plus, consultez le [www.oro.go.nt.ca](http://www.oro.go.nt.ca).



## INCIDENT RESPONSE

Oil and gas incidents are reported to the Regulator in two ways. If the incident results in a spill over a certain threshold from OROGO-regulated facilities or pipelines, the incident must be reported through the NWT-Nunavut Spill Line, which then routes the information to OROGO. All incidents must also be reported directly to OROGO through a dedicated 24/7 phone line, even if the incident results in a spill below the threshold or is a non-spill incident or a near miss.

Primarily because all well interventions were deferred until 2021-2022 due to COVID-19, no incidents or near-misses were reported to OROGO in 2020-2021.

OROGO conducted a comprehensive, third-party review of an incident that occurred during the winter 2020 work season and resulted in a significant injury to an operator's employee. The review recommended improved safety procedures and equipment for similar operations in the future. OROGO will communicate the findings to all operators along with its expectations for operator actions to identify, reduce and mitigate risks that could result in similar incidents in the future.

In October 2020, OROGO participated in an NWT-Nunavut Spills Working Group annual meeting. The Working Group is a group of agencies that have signed the NWT-Nunavut Spills Working Agreement.

In November 2020, OROGO participated in an Emergency Response Plan exercise for the Ikhil well, which is located near Inuvik, NWT.



## OTHER INITIATIVES

### Promoting Open and Transparent Regulation

OROGO continues to focus on increasing the openness and transparency of the oil and gas regulatory system.

*Bill 37: An Act to Amend the Oil and Gas Operations Act (OGOA)* came into force in July 2020, including changes designed to enhance openness and transparency in the regulatory process.

In July 2020, OROGO organized and participated in a webinar with the Workers' Safety and Compensation Commission that provided information to operators on NWT entry requirements related to COVID-19.

### Making Information Available

OROGO is a repository for information collected during oil and gas activities. Information about oil and gas activities in the Regulator's jurisdiction is available on the website or by request to the Information Office. This data is particularly valuable to companies and researchers evaluating oil and gas potential.

OROGO launched its new public registry in June 2020. The new registry uses a similar format to those of the Land and Water Boards of the Mackenzie Valley, providing a user friendly and familiar experience when accessing information. It is an important tool for providing broader public access to information under the amended OGOA.

In 2020-2021, OROGO completed a listing of well history and geophysical program files that serves as a catalogue of available files. A project to map the extents of all geophysical programs so that companies and researchers can more easily find historical programs completed in locations of interest is underway.

All available information can be accessed upon request by contacting the Information Office at [orogo@gov.nt.ca](mailto:orogo@gov.nt.ca).

#### CHIPEWYAN

T'ā Beghār Ní Ts'j Gáslín chu Tlesdógh chu Náltsi T'at'ú Beghálada Hałni Jā ʔeghálana Kúé sí (OROGO), deni t'a ní ts'j gáslín chu tlesdógh chu náltsi beghálada sí, ʔaté nezú beghálada-u, bet'á ní ts'édhir chá xa yałni-u, tth'í yunéth hara xa bek'enéłá

ʔałú beghā bek'érilyā ríłj dé, computer yé jā nílłj, [www.orogo.gov.nt.ca](http://www.orogo.gov.nt.ca)

In 2020-2021, OROGO received:

- 21 requests for well information, resulting in 1,706 well history files downloaded;
- 2 requests for geophysical information, resulting in files for 4 programs sent; and
- 83 other public inquiries.

**2020-2021 Regional Breakdown\* of Files Provided by OROGO in Response to Information Inquiries**

Region	Seismic Files	Well Files	Total
Dehcho	-	1,153	1,153
Sahtú	-	411	411
Gwich'in	-	142	142
Unknown	4	-	4
Total	4	1,706	1,710

\* As seismic programs can be large and often cross land claim boundaries, they are identified by their primary region but may extend into other regions. Research into the “unknown” program files is underway.

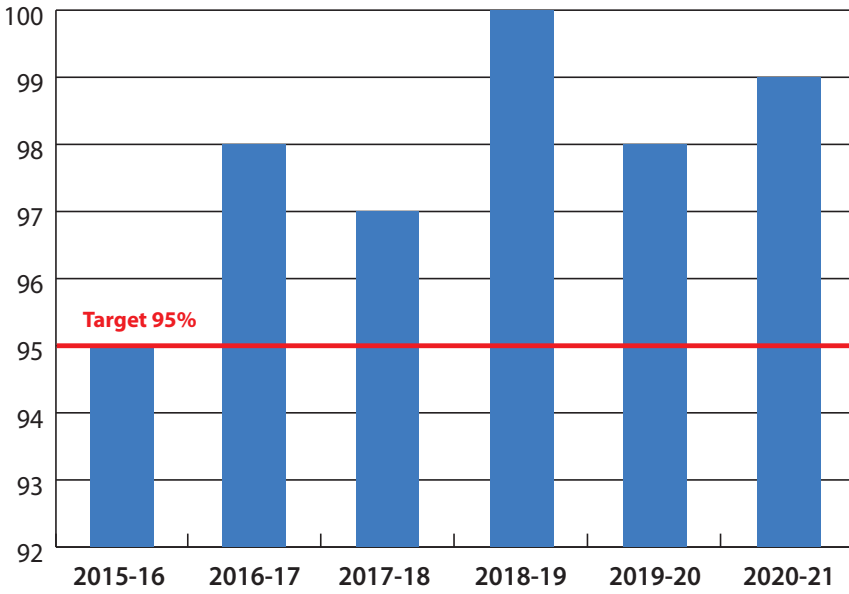
Access to well materials (cuttings, fluid samples and core samples) is also available by applying to the Information Office. Two requests to sample these materials were received in the 2020-2021 fiscal year. These materials are located at the Geological Survey of Canada core facility in Calgary, Alberta.

OROGO has also been working with Geological Survey of Canada to develop guidance for core research while access to its facility is limited due to COVID-19.

In keeping with its objective of accessibility, OROGO places a high priority on responsiveness to public inquiries. In 2020-2021, OROGO responded to 106 public inquiries, all but one within one business day.



Response to Public Inquiries Within Service Standards (%)



Since 2015-2016, OROGO has provided a preliminary response to at least 95% of all public inquiries within one business day.



Brian Heppelle, Cameron Hills, September 2020. (Credit: OROGO)

**NORTH SLAVEY**

Diri Tlehgot'ine Goręghálaeda k'é eyia areyqné Tlehret'o hé Tleh dek'ale hé areyqné asáqodé lé, nezo bet'á, għqedı (OROGO) goređı q't'e bek'eodi għa yęghokedi q't'e.

Waa begodi k'eoruzhá nahwhę nídé ejq [www.oro.go.nt.ca](http://www.oro.go.nt.ca) k'e dat't'e q't'e

## Guidelines and Interpretation Notes

OROGO continues to seek out opportunities to provide more certainty and predictability in key areas of the regulatory process. The issuance of guidelines by the Regulator under section 18 of OGOA is one tool that can be used for this purpose.

In 2020-2021, the Regulator issued five new guideline documents:

- *Application Guidelines and Interpretation Notes – Well Suspensions and Abandonments;*
- *Contingency Plan Guidelines and Interpretation Notes;*
- *Public Access to Information Guidelines and Interpretation Notes;*
- *Public Hearing Guidelines and Interpretation Notes; and*
- *Revised Document Submission Guidelines and Interpretation Notes.*

*Proof of Financial Responsibility Guidelines and Interpretation Notes* will be issued early in 2021-2022.





## Relationships with Other Regulators

OROGO prioritizes building and maintaining resilient working relationships with other regulators. It participates in organizations that bring regulators from different jurisdictions together, as well as establishing direct, one-on-one relationships through Memoranda of Understanding and other tools.

OROGO participates actively in the NWT Board Forum, which brings together resource management organizations in the territory and strives to improve and maintain effective lines of communication between its members and to resolve common issues and share expertise.

In March 2021, OROGO renewed its Memorandum of Understanding with the Canada Energy Regulator. This agreement focuses on communication and coordination between both organizations in their respective roles as regulators under OGOA in the NWT.

OROGO is a member of the Western Regulators Forum (WRF), which focuses on facilitating the exchange of information and discussion of ideas about oil and gas regulation, collaborating on research into issues of common interest and supporting inter-organizational communications and engagement. The WRF includes representation from Saskatchewan, Alberta and British Columbia, as well as the CER. In 2020-2021, OROGO participated in WRF activities on the potential uses of remotely piloted aircraft systems and strategic use of standards.

In 2020-2021, OROGO continued its participation as a member of the Interstate Oil and Gas Compact Commission (IOGCC) and attended the IOGCC virtual annual conference in November 2020. OROGO's International Affiliate membership in the IOGCC allows it to participate on committees, join in oil and gas studies and access international best practices. Seven other Canadian provinces and territories are IOGCC International Affiliates.

OROGO also participates in FracFocus.ca, CAMPUT (a non-profit organization of Canada's energy and utilities regulators) and the Professional Petroleum Data Management Association (PPDM).

### SOUTH SLAVEY

Godj Tleh Det'q gots'eh Tleh Nihts'j eghalagenda K'êé (OROGO) la daqndih t'áh tleh det'q gots'eh tleh nihts'j t'áh eghalagenda sii, seéq nezú zeehéh eghalagenda gots'eh zhaat'áá ts'eh k'éh chu nezú k'êogeah gha gots'eh azhji kii tleh det'q gots'eh tleh nihts'j t'áh eghalagenda le, sii kaqndih t'áh chu K'êogeah gha.

K'éndah keodahshá enahthé enidé, satsq ahsii lq kenandih k'éh gots'ê gondi nináhna, [www.orogo.gov.nt.ca](http://www.orogo.gov.nt.ca)

## Outreach and Engagement

OROGO participated in a number of community outreach and stakeholder engagement activities in 2020-2021, including:

- The virtual Geoscience Symposium;
- The virtual Arctic Oil and Gas Symposium;
- The annual meeting of GNWT Departments that are involved with petroleum related initiatives, hosted by OROGO in January 2021; and
- A resource co-management workshop in March 2021 titled “Well-being and the MVRMA: Making good resource co-management decisions in the Mackenzie Valley”, hosted by the Land and Water Boards of the Mackenzie Valley, the Mackenzie Valley Review Board, the Government of the Northwest Territories, and Crown-Indigenous Relations and Northern Affairs Canada.

OROGO continues to work with communities through the Well Watch Program, which encourages local land users to report concerns with historic, abandoned well sites so that they can be assessed and any identified risks can be addressed. OROGO received three inquiries regarding potential well sites of interest in 2020-2021. Further work concluded that two of the identified sites were not historical oil and gas wells. The third inquiry concerned potential wells sites near a community, although no specific well sites were identified as being of concern to the community. OROGO provided information on historic well sites in the area and will conduct further investigations if the community provides additional information on specific well sites of interest.

For the seventh consecutive year, OROGO has published an Annual Report for tabling in the Legislative Assembly. As of July 2020, an annual report became a requirement under OGOA. OROGO sees this as an effective way to share information about its work and maintain accountability to the public and legislators.



## Capacity Building

OROGO continues to enhance its own capacity to regulate oil and gas activities and to promote oil and gas regulatory capacity building across northern organizations.

OROGO staff participated in formal and informal learning opportunities throughout the year, including:

- First Aid training;
- GNWT Virtual Records and Information Management Symposium; and
- Administrative justice training through the Foundation of Administrative Justice.

In November 2020, OROGO organized H2S Alive Training delivered in Yellowknife by Arctic Response. In addition to OROGO staff, participants included:

- The Department of Environment and Natural Resources;
- The Department of Lands;
- The Mackenzie Valley Land and Water Board; and
- The Sahtú Land and Water Board.

### ᑕᑭᑭᑦ

Tieh eyits'q Tiehtsj Wehoidi t'à Eghàlageedaa Wenjht'èkq (OROGO) dè gots'q tteet'o eyits'q tieh xè eghàlagiidèe sii edete ts'à kehogiihdi xè dè gomqò gòʔqò tsjgowii ts'à k'ehogera, hani-ìdè dè gots'q tteet'o eyits'q dègottee gòlaa sii deʔq wek'ehowì ha-le.

Deʔq wegodi k'èahsq ha nìdè satsq t'à asii hàetaa [www.oro.go.gov.nt.ca](http://www.oro.go.gov.nt.ca) k'eyaahì.









# OROGO

NWT OFFICE OF THE REGULATOR OF OIL AND GAS OPERATIONS

## Contact Information

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Website: [www.orogo.gov.nt.ca](http://www.orogo.gov.nt.ca)

OROGO Information Office

Phone: **867-767-9097 x 78004**

Email: [orogo@gov.nt.ca](mailto:orogo@gov.nt.ca)

Incident Response

NWT Spill Line: **1-867-920-8130** (phone);

**1-867-873-6924** (fax)

OROGO Incident Response Line (24/7):

**1-867-445-8551**

If you would like this information in another official language,  
please contact (867) 767-9097.