

QUESTIONS AND ANSWERS

WELL SUSPENSION AND ABANDONMENT GUIDELINES AND INTERPRETATION NOTES

What are guidelines and interpretation notes?

Guidelines and interpretation notes are documents that clarify the Regulator's expectations for companies. They can also be a way to improve everybody's understanding of the way oil and gas resources are regulated in the Northwest Territories.

Interpretation notes explain the Regulator's views on the legal requirements for different activities.

Guidelines explain how companies can meet the legal requirements for their activities.

Who issues guidelines and interpretation notes?

The Regulator issues guidelines and interpretation notes. Section 18 of the *Oil and Gas Operations Act* gives the Regulator the authority to do so.

What do the words "suspension" and "abandonment" mean?

Suspension means temporarily ceasing drilling or production operations in a well or part of a well.

Abandonment means permanently plugging a well or a part of a well.

What are the objectives of the *Well Suspension and Abandonment Guidelines and Interpretation Notes* (guidelines)?

The objectives of the Guidelines are to:

- Support compliance with the OGDPR;
- Ensure good oil field practices are used to suspend and abandon wells in the Regulator's jurisdiction;
- Be consistent with the requirements of other western Canadian regulators, where appropriate; and
- Reflect the context of oil and gas activities in the Regulator's jurisdiction, particularly:
 - The legislative framework, and
 - The remote operating environment.

Why do the guidelines focus on well suspension and abandonment?

The guidelines focus on well suspension and abandonment because:

- The legislation does not provide detailed direction to operators on the requirements for suspending and abandoning wells; and
- Many of the applications the Regulator receives are for well suspension and abandonment.

How were the guidelines developed?

The guidelines were developed by the staff of the Office of the Regulator of Oil and Gas Operations (OROGO), which supports the Regulator. OROGO received technical support from the staff of the Alberta Energy Regulator (AER) and the National Energy Board (NEB).

The Regulator directed OROGO to develop the guidelines based on AER Directives for well suspension and well abandonment. As the guidelines were written, some requirements were adjusted to reflect NWT legislation and the NWT operating environment.

Why use the AER Directives?

The AER Directives were used as the basis for the guidelines because they:

- Are recognized across western Canada and represent regulatory best practices;
- Are well-understood by companies operating in the NWT;
- Were already being used by the NEB to help assess applications for well suspension and abandonment in the NWT before devolution; and
- Set out a consistent and systematic way of regulating well suspension and abandonment.

Basing the guidelines on the AER Directives means that the Regulator is in line with the requirements of other western Canadian jurisdictions.

Which AER Directives were used to develop the guidelines?

AER Directive 013 (Suspension Requirements for Wells) and AER Directive 020 (Well Abandonment) were the main AER Directives used to develop the guidelines.

Sometimes these Directives refer to other AER Directives, which were also used to develop the guidelines. These other Directives are:

- Directive 009 (Casing Cementing Minimum Requirements)
- Directive 051 (Injection and Disposal Wells)
- Interim Directive 90-1 (Completion and Servicing of Sour Wells)

- Interim Directive 2003-01 (Surface Casing Vent Flow / Gas Migration Testing, Reporting and Repair Requirements and Casing Failure Reporting and Repair Requirements)

What factors were considered in adapting the AER Directives for use in the NWT?

OROGO considered these factors in adapting the AER Directives for use in the NWT:

- What the NWT legislation says is required, particularly in terms of applications for authorizations and reporting by companies;
- Whether a particular type of oil and gas activity occurs in the NWT;
- The lack of infrastructure to bring oil and gas from exploration sites to market; and
- The state of existing suspended and abandoned wells in the NWT.

What adjustments were made to the AER Directives?

Adjustments to the AER Directives included:

- Establishing different suspension timelines for exploratory and production wells;
- Removing references to oil sands, coal bed methane and other activities that do not occur in the Northwest Territories;
- Adjusting application and reporting requirements to reflect NWT legislation;
- Adjusting “grandfathering” provisions to reflect the status of the suite of suspended wells under OROGO’s jurisdiction;
- Addressing non oil and gas wells as required under the definition of a well in NWT legislation.

What do the guidelines say about well suspension?

The guidelines give information on:

- The timeframe for suspending a well, which is based on the type of well;
- The requirements for wellheads on suspended wells, including maintenance and safety requirements;
- The options for barriers in the well bore that will suspend the well;
- The requirements to test for and repair surface casing vent flows, gas migration and annular pressure during well suspension; and
- The requirements for regular testing and inspection of suspended wells.

What do the guidelines say about well abandonment?

The guidelines give information on:

- The timeframe for abandoning a well, based on when it was suspended;

- The options for barriers in the well bore that will abandon the well, based on the type of well and how it was built;
- The requirements for the protection of ground water during and after well abandonment;
- The requirements for identifying the location of cement plugs used to abandon the well;
- The requirements to test for and repair surface casing vent flows, gas migration and annular pressure during well abandonment;
- The requirements for removing the wellhead and cutting and capping the well casings (surface abandonment); and
- Continued responsibility for abandoned wells.

What other topics are covered in the guidelines?

The guidelines also provide information on:

- Cement requirements;
- Detailed requirements for surface casing vent flows, gas migration and annular pressure testing; and
- How to apply to the Regulator for permission to suspend or abandon a well.

Where can I get more information on the guidelines?

OROGO's website has a copy of the guidelines at: [WEBSITE PAGE HERE.](#)

OROGO staff can also answer questions about the guidelines. Call Pauline de Jong at 867-767-9097 or email her at Pauline_dejong@gov.nt.ca for more information. Pauline can also arrange presentations on the guidelines for your organization.

Who is providing feedback on the guidelines?

Everyone is welcome to provide feedback on the guidelines.

OROGO has directly contacted Aboriginal governments and organizations, companies operating in the NWT, other regulators, industry groups, the territorial and federal governments and environmental non-governmental organizations for their feedback. OROGO has also advertised in NWT newspapers to reach the general public.

How do I provide feedback on the guidelines?

Please provide your feedback on the guidelines by writing to Pauline_dejong@gov.nt.ca. You will receive a response confirming that OROGO has received your feedback.

What is the deadline for providing feedback?

The deadline for providing feedback is **August 31, 2016**.

What will be done with the feedback received?

The feedback received will be summarized and made public, along with OROGO's responses. This summary document will be available in September 2016.

When will the guidelines be issued?

OROGO expects to issue the guidelines in October 2016.