

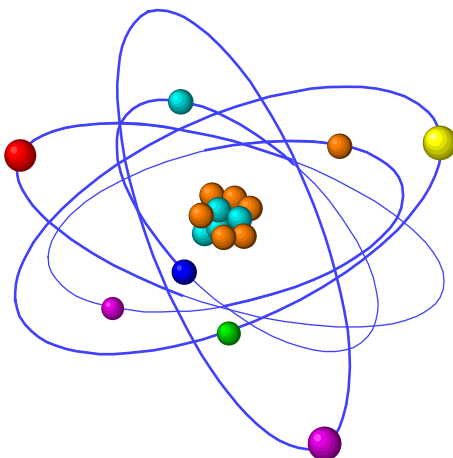
# Strategic Oil & Gas Ltd.

Work Order-Ref #: 19131

## Vapor Intrusion Assessment (VIA) Soils Outside Casing (AGM)

**Strategic et al Cameron  
H-03**

September 11 & 12, 2019



**GCHEM** Ltd.

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FORENSIC SOLUTIONS FOR ENERGY CHALLENGES

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## 1.0 Executive Summary

On September 11-12, 2019m Strategic et al Cameron Hills H-03 was investigated for natural gas leakage in soils outside of casing. Total combustible gas (%LEL) and H<sub>2</sub>S field instruments were used to measure gas levels and types at soil test sites. Gas samples were collected, contained and preserved from soils outside casing (AGM) and for baseline comparison, background locations, ~30m away from the wellbore were also assessed.

A 115 site non-intrusive surface CH<sub>4</sub> scan was conducted in soils outside casing and at 3 background locations (N30m, W30m and E30m). Six sites (N3m, S3m-W4m, W3m, W4m-N3m, W3m-N5m and W2m-N5m) contained elevated (17, 22, 86, 10, 8, and 8 ppm v/v, respectively) above background methane levels (4 ppm v/v). All other sites tested near the wellbore contained CH<sub>4</sub> levels ranging from 2 to 4 ppm v/v and were similar to the BKG test sites.

A soil vapor gas flux test using GCHEM's Soil Vapor-Flux Chamber (SV-FC) was conducted at the highest non-intrusive surface methane reading (W3m) and indicate low combustible gas flow rates to surface (0.001319 m<sup>3</sup>/day volumetric calculation).

A total of 13 soil sites outside casing were assessed for gas leakage using an intrusive methodology where 5 cm vapor test holes were augered into soils and Soil Vapor Probes (SVPs) were inserted into each test hole. Of the 13 soil vapor test sites outside casing, 11 sites (N2m 212 ppm v/v, N4m 187 ppm v/v, NE2m 136 ppm v/v, E1m 132 ppm v/v, E3m 1179 ppm v/v, E5m 5050 ppm v/v, SE2m 13 ppm v/v, SW2m 52 ppm v/v, SW4m 62 ppm v/v, SW4m 62 ppm v/v, W2m 13 ppm v/v and NW2m 4164 ppm v/v) contained elevated, above background (BKG N30m 4 ppm v/v) levels of CH<sub>4</sub> gas contents. SOG selected two soil sites (E3m and NW2m) to measure chemical and  $\delta^{13}\text{C}$  isotopic compositions to aid in classifying combustible gas contents. The 2-sites contained high levels of CH<sub>4</sub> gas and low, similar to background levels of associated  $\Sigma\text{C}_2+$  gas. Methane index values suggest that elevated %LEL values measured at the 2-soil sites are high (dry gas) that suggest biogenic in origins for CH<sub>4</sub> gas.  $\delta^{13}\text{C}$  CH<sub>4</sub> and CO<sub>2</sub> values for gas obtained from the test site while the gases obtained from test E3m have been significantly altered by bacterial oxidation processes. However, low associated  $\Sigma\text{C}_2+$  gas levels support bacterial fermentation origins for CH<sub>4</sub> gas.  $\Sigma\text{C}_2+$  gas levels in soils outside casing at test sites E3m and NW2M are low, similar to background and is the result of natural movement of light hydrocarbon gases from reservoirs at depth,

upward through subsurface fractures and micro-fractures to surface. This is naturally occurring process in all hydrocarbon sedimentary basins in the world.

With information available to date, soil vapor test sites E3m and NW2m would be classified as ‘Biogenic-Naturally Occurring CH<sub>4</sub>-Non-Impacted’.

## 2.0 Vapor Intrusion Assessment Summary

**Operating Company:** Strategic Oil & Gas Ltd.  
**Well Name:** Strategic et al Cameron H-03  
**UWI:** 300H036010117300

**License Number:** 001940  
**Test Date** September 11-12, 2019  
**GCHEM Project Number** 19131

### 2.1 Production Casing Test Summary

| Combustible Gas (CH <sub>4</sub> ) ([%LEL])           | nm              |                     |                  |
|---|-----------------|---------------------|------------------|
| Hydrogen Sulphide (H <sub>2</sub> S) Gas (ppm v/v)    | nm              |                     |                  |
| PC Flow Rate (m <sup>3</sup> /day)                    | nm              |                     |                  |
| P-T Date Logger Installed                             | nm              |                     |                  |
| P-T Data Logger Removed                               | nm              |                     |                  |
| P-T Data Logger Test Duration                         | nm              |                     |                  |
| MAX Pressure (kPa)                                    | nm              |                     |                  |
| Gas Spls. Collection-Measurement                      | Total Collected | Analysis Requested* | Classification** |
| PC Samples (Total)                                    | 0               |                     |                  |
| PC Combustible Gas Class. Level-1 (Chemical)          |                 | NA                  | NA               |
| PC Combustible Gas Class. Level-2 (δ <sup>13</sup> C) |                 | NA                  | NA               |
| PC Combustible Gas Class. Level-3 (δD)                |                 | NA                  | NA               |
| PC Combustible Gas Class. Level-4 ( <sup>14</sup> C)  |                 | NA                  | NA               |

### 2.2 Surface Casing Vent Flow (SCVF) Test Summary

| SCV Ten-Minute Bubble Test Result                      | nm              |                     |                  |
|--|-----------------|---------------------|------------------|
| SCV Flow Rate (m <sup>3</sup> /day)                    | nm              |                     |                  |
| SCVF Pressure-Temp Logger Installed                    | nm              |                     |                  |
| SCV Pressure-Temp Data Logger Removed                  | nm              |                     |                  |
| SCV Shut-In Time (hrs)                                 | nm              |                     |                  |
| SCV MAX-Recorded Build Up Pressure (kPa)               | nm              |                     |                  |
| SCV Stabilized Build-up Pressure (kPa):                | nm              |                     |                  |
| SCV Stabilized Build-up Time (hours)                   | nm              |                     |                  |
| SCV Standpipe Max CH <sub>4</sub> Content (% LEL):     | nm              |                     |                  |
| SCV Standpipe Max H <sub>2</sub> S Content             | nm              |                     |                  |
| SCV Gas Spls. Collection-Measurement                   | Total Collected | Analysis Requested* | Classification** |
| SCV Samples (Total)                                    | 0               |                     |                  |
| SCV Combustible Gas Class. Level-1 (Chemical)          |                 | NA                  | NA               |
| SCV Combustible Gas Class. Level-2 (δ <sup>13</sup> C) |                 | NA                  | NA               |
| SCV Combustible Gas Class. Level-3 (δD)                |                 | NA                  | NA               |
| SCV Combustible Gas Class. Level-4 ( <sup>14</sup> C)  |                 | NA                  | NA               |

## 2.3 Soil Gas Migration Test – Soils Outside Casing (AGM) Summary Tables

### A) Non-Intrusive CH<sub>4</sub> Surface Soil Scan (PMD) (Figure 1 and Table 1)

|  |     |
|--|-----|
| Well Casing Surface CH <sub>4</sub> Test Sites   | 115 |
| MAX Surface CH <sub>4</sub> Reading              | 86  |
| MAX H <sub>2</sub> S Well Soil Reading (ppm v/v) | <1  |
| Number of Background Sites                       | 3   |
| MAX Background CH <sub>4</sub> (ppm v/v)         | 4   |
| Max H <sub>2</sub> S BKG Soil Reading (ppm v/v)  | <1  |
| Surface CH <sub>4</sub> -PMD Gas Classification  |     |

### B) Non-Intrusive Surface Enclosed Soil Vapor FLUX Chamber Test

|  |                 |                               |           |
|--|-----------------|-------------------------------|-----------|
| Surface SV-FC CH <sub>4</sub> Test Sites                 | 1               |                               |           |
| MAX SV-FC CH <sub>4</sub> Reading                        | 86              |                               |           |
|  |                 |                               |           |
| SV-FC Gas Spls. Collection-Measurement                   | Total Collected | Analysis Requested*           | Test Site |
| SV-FC Samples (Total)                                    | 2               | Soil Vapor Flux not requested |           |
| SV-FC Combustible Gas Class. Level-1 (Chemical)          |                 | NA                            | NA        |
| SV-FCs Requested for Level-1 Analysis                    |                 | NA                            |           |
| SV-FC Combustible Gas Class. Level-2 (δ <sup>13</sup> C) |                 | NA                            | NA        |
| SV-FCs Requested for Level-2 Analysis                    |                 | NA                            |           |
| SV-FC Combustible Gas Class. Level-3 (δD)                |                 | NA                            | NA        |
| SV-FCs Requested for Level-3 Analysis                    |                 | NA                            |           |
| SV-FC Combustible Gas Class. Level-4 ( <sup>14</sup> C)  |                 | NA                            | NA        |
| SV-FCs Requested for Level-4 Analysis                    |                 | NA                            |           |

### C) Intrusive Auger Test Holes with Soil Vapor Probes (Figure 2 and Table 2)

|  |                 |                        |           |
|--|-----------------|------------------------|-----------|
| Number Soil Vapor Probe (SVP) Test Sites               | 13              |                        |           |
| MAX SVP CH <sub>4</sub> Reading (%LEL)                 | 10.1            |                        |           |
| Max H <sub>2</sub> S SVP Field Reading (ppm v/v)       | <1              |                        |           |
| Number SVP BKG Test Sites                              | 3               |                        |           |
| MAX SVP CH <sub>4</sub> BKG Test Sites (ppm v/v)       | 4               |                        |           |
|  |                 |                        |           |
| SVPs Gas Spl. Collection & Measurement                 | Total Collected | Analysis Requested*    | Test Site |
| Soil Vapor Probes (SVPs) AGM (Total)                   | 4               |                        |           |
| SVP Combustible Gas Class. Level-1 (Chemical)          |                 | 2                      | E3m, NW2m |
| SVPs Requested for Level-1 Analysis                    |                 | Biogenic, Non-Impacted |           |
| SVP Combustible Gas Class. Level-2 (δ <sup>13</sup> C) |                 | 2                      | E3m, NW2m |
| SVPs Requested for Level-2 Analysis                    |                 | Biogenic, Non-Impacted |           |
| SVP Combustible Gas Class. Level-3 (δD)                |                 | 0                      | NA        |
| SVPs Requested for Level-3 Analysis                    |                 | NA                     |           |
| SVP Combustible Gas Class. Level-4 ( <sup>14</sup> C)  |                 | 0                      | NA        |
| SVPs Requested for Level-4 Analysis                    |                 | NA                     |           |

| BKG Gas Spl. Collection-Measurement  | Total Collected | Analysis Requested*                     | Test Site |
|--|-----------------|---|-----------|
| <b>BKG Soil Vapor Probe (SVPs) (Total)</b>                                       | 3               |   |           |
| <b>SVPs &amp; Sites Requested for Level-1 Analysis</b>                           |                 | 1                                       | BKG W30m  |
| <b>Combustible Gas Classification Level-1 (Chem.)</b>                            |                 | Biogenic, Naturally Occurring, Baseline |           |
| <b>SVPs &amp; Sites Requested for Level-2 Analysis</b>                           |                 | 0                                       |           |
| <b>Combustible Gas Classification Level-2 (<math>\delta^{13}\text{C}</math>)</b> |                 | NA                                      |           |
| <b>SVPs &amp; Sites Requested for Level-3 Analysis</b>                           |                 | 0                                       |           |
| <b>Combustible Gas Classification Level-3 (<math>\delta\text{D}</math>)</b>      |                 | NA                                      |           |
| <b>SVPs &amp; Sites Requested for Level-4 Analysis</b>                           |                 | 0                                       |           |
| <b>Combustible Gas Classification Level-4 (<math>^{14}\text{C}</math>)</b>       |                 | NA                                      |           |

\* Sample selection for chemical and isotopic analysis (geochemical analytical suite) selected by client/operator.

## 2.4 Interpreted Source of Migrating Gases (measured depth from KB of the well)

| Sample Point   | Geologic Formation            | Depth Range                                     | Source Depth |
|----------------|-------------------------------|---|--------------|
| SVP E3m & NW2m | Near Surface Soil Respiration | Biogenic $\text{CH}_4$ , Non-Impacted, Baseline |              |

### **3.0 Background of Vapor Intrusion Assessments (VIA) at Resource Wells & Tracing Gas Contents in the Environment using Energy Forensics**

Undesired natural gas leakage from depth to surface at resource wells is becoming increasingly recognized and is a significant financial burden to the resource industry. When high levels of natural gas are found in the surface casing vent it is termed surface casing vent flow (SCVF) and when found in soils outside casing it is termed active gas migration (AGM). Identifying the source of leaking gas, maintaining zonal isolation and eliminating gas leakage to surface has proven to be a challenging task. Industry success rates using conventional gas leakage identification tools (e.g. noise, temperature, cement bond-integrity, ultra-sonic imaging logs, etc.) to eliminate surface gas migration in the first attempt is approximately 15% to 20%. Since 1997, through collaboration with industry, government regulators and academic institutions, GCHEM Ltd. has developed 'Energy-Forensics' and has obtained extensive expertise in field testing, gas sampling and preservation, analytical and interpretational techniques to pinpoint the geologic source of natural gases at resource wells.

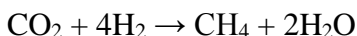
It is important to note that detection of elevated combustible gases at surface does not always mean the well is impacted with deep sourced natural gas (thermogenic). Accurate gas characterization at well sites is critical as elevated CH<sub>4</sub> (%LEL) contents measured at or near surface may not indicate it is leaking or impacted (false-positive) but rather the combustible gases present are the result of biogenic activity or hydrocarbon contamination (or a combination of).

Thermogenic hydrocarbon gases have unique chemical and isotopic signatures based on many variables including the starting organic material they are produced from, the chemical processes from organic origin to current form, interaction with surrounding formation rock and fluids, and effects from migrating from origin to current trap. For example, molecular and isotopic composition ( $\delta^{13}\text{C}$  and  $\delta^2\text{H}$ ) of a low temperature, shallow sourced natural gas is significantly different with respect to those of a high temperature deep sourced natural gas. This principle allows the geologic source of leaking natural gas at a wellbore to be determined.

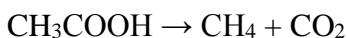
### 3.1 Biogenically Derived Methane Gas

As a normal part of soil respiration, methane may be generated via two biotic pathways (depending on substrate availability):

CO<sub>2</sub> reduction reaction



Fermentation Process



Biogenic methane gas may be further oxidized by bacteria. Oxidizing bacteria in soils preferentially consume <sup>12</sup>C over <sup>13</sup>C resulting the residual gas enriched in <sup>13</sup>C (i.e. δ<sup>13</sup>C values become less negative) with respect to the biogenic gas (isotope enriching effect). Therefore, biogenic oxidization may provide the false signature of a ‘mixture of biogenic and thermogenic methane’ or ‘thermogenic’ gas (GChem in prep). Biogenic CH<sub>4</sub> is generally prevalent in landfill or swamp gas.

### 3.2 Thermogenic Methane Gas

Methane gas can be generated by abiotic processes such as the thermo-degradation of organic matter at high pressure and temperature (thermogenesis). During thermogenic CH<sub>4</sub> generation, pending organic matter content, pressure and temperature, associated C<sub>2</sub>+ gases may also be formed. Thermogenic CH<sub>4</sub> and C<sub>2</sub>+ gases contain enriched δ<sup>13</sup>C and δD values pending gas maturity, mixing and alteration and torturous pathway from source to trap.

### 3.3 Classification, Characterization and Geological Origins of Combustible Gases in the Environment.

Combustible gases in soils outside casing maybe classified and characterized (biogenic, thermogenic or mixed) using chemical, carbon and hydrogen and isotopic measurements and <sup>14</sup>C concentrations. Leaking thermogenic natural gas in soils outside casing is easier to scientifically prove than biogenic methane sources. Elevated %LEL measured in AGM (on location) maybe the result of naturally occurring biogenic processes, anthropogenic leaking thermogenic natural gases and mixtures of both. A systematic 4-level approach can be used to determine the origins (biogenic-thermogenic or mixed) combustible gas contents and include:

- 1) Level-1 Characterization**      **High Resolution Compositional-Chemical Measurements.**  
Permanent, inert and CH<sub>4</sub> to n-C<sub>5</sub>H<sub>12</sub> & C<sub>6</sub>+.  
See NGGC-1 CH<sub>4</sub> vs  $\Sigma$ C<sub>2</sub>+ (Szatkowski et al 2000 & 2001).  
See NGGC-2 C<sub>2</sub>H<sub>6</sub> vs. c<sub>6</sub>+ (Szatkowski et al 2000 & 2001).
- 2) Level-2 Characterization**      **Stable Carbon Isotope Measurements ( $\delta^{13}\text{C}$ ).**  
 $\delta^{13}\text{C}$  CH<sub>4</sub> to n-C<sub>5</sub>H<sub>12</sub> & CO<sub>2</sub> (pending concentrations-gas levels).  
See NGGC-3 CH<sub>4</sub>/ $\Sigma$ C<sub>2</sub>+ vs.  $\delta^{13}\text{C}$  CH<sub>4</sub> (Bernard 1978).  
See NGGC-4  $\delta^{13}\text{C}$  CO<sub>2</sub> vs.  $\delta^{13}\text{C}$  CH<sub>4</sub> (Whiticar 1993).
- 3) Level-3 Characterization**      **Hydrogen in Methane ( $\delta\text{D}$ ).**  
 $\delta\text{D}$  CH<sub>4</sub> to dD C<sub>4</sub>H<sub>12</sub> (pending concentrations-gas levels).  
See NGGC-5  $\delta^{13}\text{C}$  CH<sub>4</sub> vs  $\delta\text{D}$  CH<sub>4</sub> (Coleman 1993).
- 4) Level-4 Characterization**      **<sup>14</sup>C pMC concentrations (radioactive ½ life of 5750 yr).**  
Pending concentrations-gas levels.  
<sup>14</sup>C reveals the age of the organic matter source from which CH<sub>4</sub> was generated but not the time of methanogenesis.

To determine the geological origins of leaking thermogenic natural gas contents, a series of plots developed by GCHEM Ltd are used and include.

- 1) Chemical & Isotopic Gas Field Diagram**      C<sub>2</sub>H<sub>6</sub>/ $\Sigma$ C<sub>3</sub>+ vs  $\delta^{13}\text{C}$  C<sub>2</sub>H<sub>6</sub> (Szatkowski et al 2000, 2001).
- 2) Isotopic Gas Field Diagram**       $\delta^{13}\text{C}$  C<sub>2</sub>H<sub>6</sub> vs.  $\delta^{13}\text{C}$  C<sub>3</sub>H<sub>8</sub> (Szatkowski et al 2000, 2001).
- 3) Modified Chung Plot**       $\delta^{13}\text{C}$  vs 1/n (carbon & hydrogen number) (Chung 1988, and GCHEM Ltd. Unpublished).

Additional chemical and stable carbon and hydrogen isotopic plots have been developed to aid in determining the geological origins of natural gas found in the environment however, GCHEM has not published these novel and new correlations and relationships and they will not be shown or discussed in detail at this time (GCHEM Unpublished Internal Research).

## **4.0 Methods and Results**

### **4.1 Field Assessment Methods and Results**

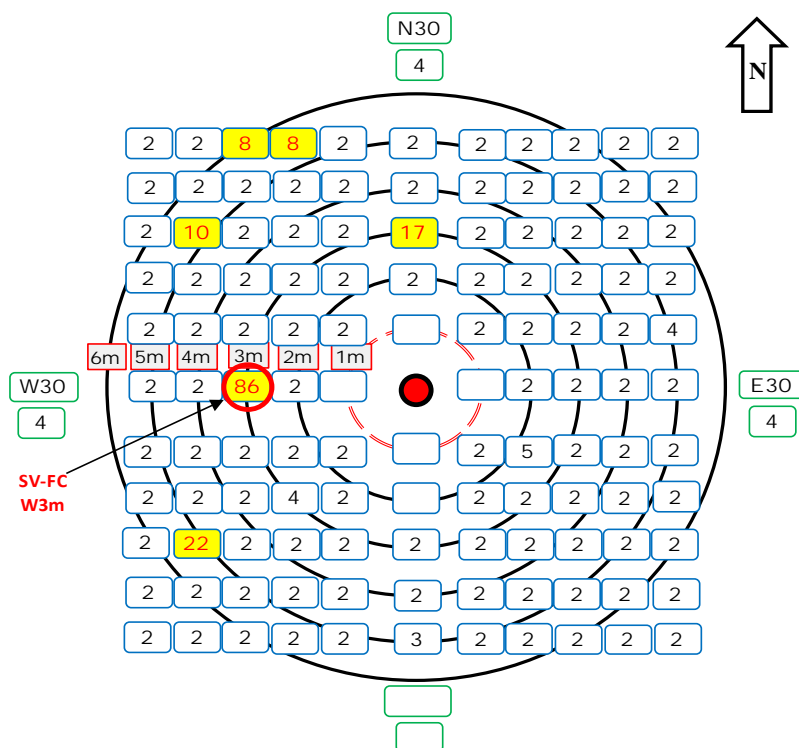
#### **4.1.1 Non-Intrusive Vapor Intrusion Assessment**

On September 11, 2019, GCHEM conducted a surface soil methane scan using a Sensit PMD (Figure 1). Surface soil CH<sub>4</sub> levels were measured at 118 locations on a grid pattern (1m x 1m) covering approximately an 10m x 10m square area around the marked wellbore.

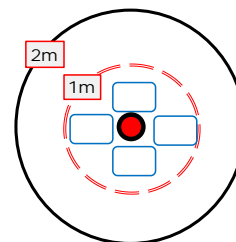
To establish background surface CH<sub>4</sub> gas levels a distance away from the wellbore, three locations (30m north, 30m west and 30m east of the wellbore) were also assessed. To enhance results of the surface methane scan and reduce potential effects from industrial contamination, at each test site, an atmospheric CH<sub>4</sub> gas level was recorded, the PMD gas sampling wand was coupled to the surface soils and the CH<sub>4</sub> level was recorded for that specific test site. Atmospheric CH<sub>4</sub> level was subtracted from the CH<sub>4</sub> level measured after ground coupling to derive a surface soil CH<sub>4</sub> level at that point of the grid.

Six surface PMD sites (N3m, S3m-W4m, W3m, W4m-N3m, W3m-N5m and W2m-N5m) contained elevated (17, 22, 86, 10, 8, and 8 ppm v/v, respectively) above background (W30m 4 ppm v/v) CH<sub>4</sub> levels. All other surface sites assessed near the wellbore contained CH<sub>4</sub> levels that ranged from 2 to 4 ppm v/v that were similar to the BKG sites

**Figure 1. AGM Non-Intrusive Surface PMD**



**Figure-1A. NON-Intrusive CH<sub>4</sub> Surface Scan Well Casing Detail VIEW**



Seeded grass surrounding the well casing is of similar stand-growth to surrounding lease vegetation. No stressed dead spots or discoloration was observed.

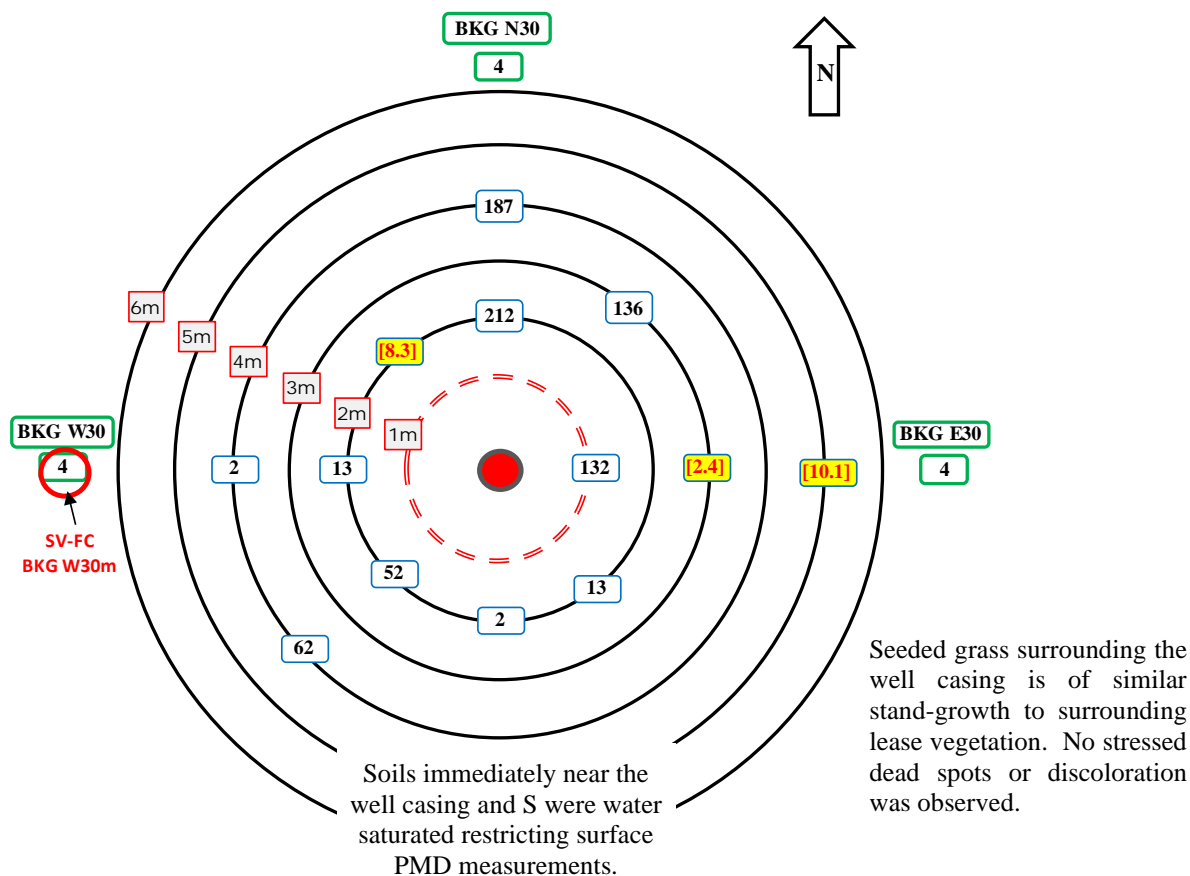
**Table 1. AGM Non-Intrusive Surface PMD**

| WELL CASING (AGM) Non-Intrusive Surface PMD (CH <sub>4</sub> ) Soil Scan |                               |         |               |                               |         |               |                               |         |               |
|--|-------------------------------|---------|---------------|-------------------------------|---------|---------------|-------------------------------|---------|---------------|
| Test Site (m)  | PMD CH <sub>4</sub> (ppm v/v) | (% Vol) | Test Site (m) | PMD CH <sub>4</sub> (ppm v/v) | (% Vol) | Test Site (m) | PMD CH <sub>4</sub> (ppm v/v) | (% Vol) | Test Site (m) |
| N.5  |                               |         | E.5           |                               |         | S.5           |                               |         | W.5           |
| N1   |                               |         | E1            |                               |         | S1            |                               |         | W1            |
| N2   | 2                             |         | E2            | 2                             |         | S2            |                               |         | W2            |
| N3   | 17                            |         | E3            | 2                             |         | S3            | 2                             |         | W3            |
| N4   | 2                             |         | E4            | 2                             |         | S4            | 2                             |         | W4            |
| N5   | 2                             |         | E5            | 2                             |         | S5            | 3                             |         | W5            |
| N5-E1  | 2                             |         | E5-S1         | 2                             |         | S5-W1         | 2                             |         | W5-N1         |
| N4-E1  | 2                             |         | E5-S2         | 2                             |         | S4-W1         | 2                             |         | W5-N2         |
| N3-E1  | 2                             |         | E5-S3         | 2                             |         | S3-W1         | 2                             |         | W5-N3         |
| N2-E1  | 2                             |         | E5-S4         | 2                             |         | S2-W1         | 2                             |         | W5-N4         |
| N1-E1  | 2                             |         | E5-S5         | 2                             |         | S1-W1         | 2                             |         | W5-N5         |
| N1-E2  | 2                             |         | E4-S5         | 2                             |         | S1-W2         | 2                             |         | W4-N5         |
| N2-E2  | 2                             |         | E4-S4         | 2                             |         | S2-W2         | 4                             |         | W4-N4         |
| N3-E2  | 2                             |         | E4-S3         | 2                             |         | S3-W2         | 2                             |         | W4-N3         |
| N4-E2  | 2                             |         | E4-S2         | 2                             |         | S4-W2         | 2                             |         | W4-N2         |
| N5-E2  | 2                             |         | E4-S1         | 2                             |         | S5-W2         | 2                             |         | W4-N1         |
| N5-E3  | 2                             |         | E3-S1         | 2                             |         | S5-W3         | 2                             |         | W3-N1         |
| N4-E3  | 2                             |         | E3-S2         | 2                             |         | S4-W3         | 2                             |         | W3-N2         |
| N3-E3  | 2                             |         | E3-S3         | 2                             |         | S3-W3         | 2                             |         | W3-N3         |
| N2-E3  | 2                             |         | E3-S4         | 2                             |         | S2-W3         | 2                             |         | W3-N4         |
| N1-E3  | 2                             |         | E3-S5         | 2                             |         | S1-W3         | 2                             |         | W3-N5         |
| N1-E4  | 2                             |         | E2-S5         | 2                             |         | S1-W4         | 2                             |         | W2-N5         |
| N2-E4  | 2                             |         | E2-S4         | 2                             |         | S2-W4         | 2                             |         | W2-N4         |
| N3-E4  | 2                             |         | E2-S3         | 2                             |         | S3-W4         | 22                            |         | W2-N3         |
| N4-E4  | 2                             |         | E2-S2         | 2                             |         | S4-W4         | 2                             |         | W2-N2         |
| N5-E4  | 2                             |         | E2-S1         | 5                             |         | S5-W4         | 2                             |         | W2-N1         |
| N5-E5  | 2                             |         | E1-S1         | 2                             |         | S5-W5         | 2                             |         | W1-N1         |
| N4-E5  | 2                             |         | E1-S2         | 2                             |         | S4-W5         | 2                             |         | W1-N2         |
| N3-E5  | 2                             |         | E1-S3         | 2                             |         | S3-W5         | 2                             |         | W1-N3         |
| N2-E5  | 2                             |         | E1-S4         | 2                             |         | S2-W5         | 2                             |         | W1-N4         |
| N1-E5  | 4                             |         | E1-S5         | 2                             |         | S1-W5         | 2                             |         | W1-N5         |
| BACKGROUND Non-Intrusive Surface PMD (CH <sub>4</sub> ) Soil Scan        |                               |         |               |                               |         |               |                               |         |               |
| Test Site (m)  | PMD CH <sub>4</sub> (ppm v/v) | (%)     | Test Site (m) | PMD CH <sub>4</sub> (ppm v/v) | (%)     | Test Site (m) | PMD CH <sub>4</sub> (ppm v/v) | (%)     | Test Site (m) |
| N30  | 4                             |         | E30           | 4                             |         | W30           | 4                             |         |               |

#### **4.1.2 Intrusive Vapor Intrusion Assessment**

A total of 13 soil sites outside casing were assessed for gas leakage using an intrusive methodology where 5 cm vapor test holes were augered into soils and Soil Vapor Probes (SVPs) were inserted into each test hole. The SVPs were allowed to stabilize for approximately 30 minutes prior to combustible gas content measurement with the PMD (Figure 2). Of the 13 soil vapor test sites outside casing, 11 sites (N2m 212 ppm v/v, N4m 187 ppm v/v, NE2m 136 ppm v/v, E1m 132 ppm v/v, E3m 1179 ppm v/v, E5m 5050 ppm v/v, SE2m 13 ppm v/v, SW2m 52 ppm v/v, SW4m 62 ppm v/v, W2m 13 ppm v/v and NW2m 4164 ppm v/v) contained elevated, above background (BKG N30m 4 ppm v/v) methane contents.

**Figure 2. AGM Intrusive SVPs**



**Table 2. AGM Intrusive SVPs**

| Intrusive AGM - Hand Auger-Test Hole-Install Soil Vapor Probes (SVPs) ATM-Isolated |                              |        |                            |                 |                              |                  |                          |
|--|------------------------------|--------|----------------------------|-----------------|------------------------------|------------------|--------------------------|
| Test Site (m)  | Soil Vapor Probes            |        | H <sub>2</sub> S (ppm v/v) | Soil Parameters |                              | Gas Sample (Y-N) | Site Assessment Comments |
|  | IR-CH <sub>4</sub> (ppm v/v) | (%LEL) |                            | Type            | Moist. HC-CONT (1D-5W) (Y-N) |                  |                          |
| N2   | 212                          |        | <1.0                       | Si              | 5                            | No               | Final-SVP Watered-Out    |
| N4   | 187                          |        | <1.0                       | Si              | 5                            | No               |                          |
| NE2  | 136                          |        | <1.0                       | Si              | 5                            | No               |                          |
| E1   | 132                          |        | <1.0                       | Si              | 5                            | No               |                          |
| E3   | 1179                         | [2.4]  | <1.0                       | Si              | 5                            | No               | Yes                      |
| E5   | 5050                         | [10.1] | <1.0                       | Si              | 5                            | No               | Yes                      |
| SE2  | 13                           |        | <1.0                       | Si              | 5                            | No               | Final-SVP Watered-Out    |
| S2   | 2                            |        | <1.0                       | Si              | 5                            | No               |                          |
| S4   |                              |        |                            |                 |                              |                  |                          |
| S5   |                              |        |                            |                 |                              |                  |                          |
| SW2  | 52                           |        | <1.0                       | Si              | 5                            | No               | Final-SVP Watered-Out    |
| SW4  | 62                           |        | <1.0                       | Si              | 5                            | No               |                          |
| W2   | 13                           |        | <1.0                       | Si              | 5                            | No               |                          |
| W4   | 2                            |        | <1.0                       | Si              | 5                            | No               |                          |
| NW2  | 4164                         | [8.3]  | <1.0                       | Si              | 5                            | No               | Final -SVP Watered-Out   |

| Test Site (m) | Soil Vapor Probes            |         | H <sub>2</sub> S (ppm v/v) | Soil Parameters |                            | Gas Sample (Y-N) | Site Assessment Comments |
|---------------|------------------------------|---------|----------------------------|-----------------|----------------------------|------------------|--------------------------|
|               | IR-CH <sub>4</sub> (ppm v/v) | (% Vol) |                            | Type            | Moist. HC-CONT (1-5) (Y-N) |                  |                          |
| BKG N30       | 4                            |         | <1.0                       | Si              | 5                          | No               | Yes                      |
| BKG E30       | 4                            |         | <1.0                       | Si              | 5                          | No               | Yes                      |
| BKG W30       | 4                            |         | <1.0                       | Si              | 5                          | No               | Yes                      |

### 4.1.3 Soil Vapor Flux Measurements

Soil vapor flux measurements can be conducted in soils to establish the rate and volume of gas leakage at surface. The soil vapor flux methodology utilizes an enclosed chamber (known internal volume and surface soil area) with three gas ports: gas-in, gas-out and a pressure release valve. Gases are cycled from the gas-out port to a PMD and re-injected or cycled back into the flux chamber. The atmospheric pressure release valve allows leaking gas from soils to enter the chamber and displace atmospheric gas contents within the chamber.

Pristine, naturally occurring gas venting from soils as a result of natural movement of light hydrocarbons from reservoirs at depth, upward through subsurface fractures or micro-fractures to surface combined with soil respiration processes is a naturally occurring process prevalent in all sedimentary basins (i.e. hydrocarbon surface seeps). These soil gases are usually comprised of low, but variable, levels of CH<sub>4</sub> and CO<sub>2</sub> with low-to-trace levels of associated C<sub>2</sub>+ thermogenic natural gases that cannot be generated by bacterial processes in great quantities. Soils influenced by anthropogenic process (i.e. natural gas leakage at a wellbore from natural gas reservoirs at depth, upwards through compromised cement sheaths securing production casing to formation rock to surface) usually contain highly elevated, above background levels of CH<sub>4</sub> (thermogenic, biogenic and/or mixtures) and associated C<sub>2</sub>+ thermogenic gases.

CH<sub>4</sub> gas contents in the flux chamber were monitored and data logged using a PMD. Soil gas flux volumes and rates in soils can be calculated either volumetrically or gravimetrically considering the following relationship:

$$\text{Flux (F)} = (\text{dC/dt}) * (\text{volume}) / (\text{area})$$

**Where:**

C = concentration

t = time

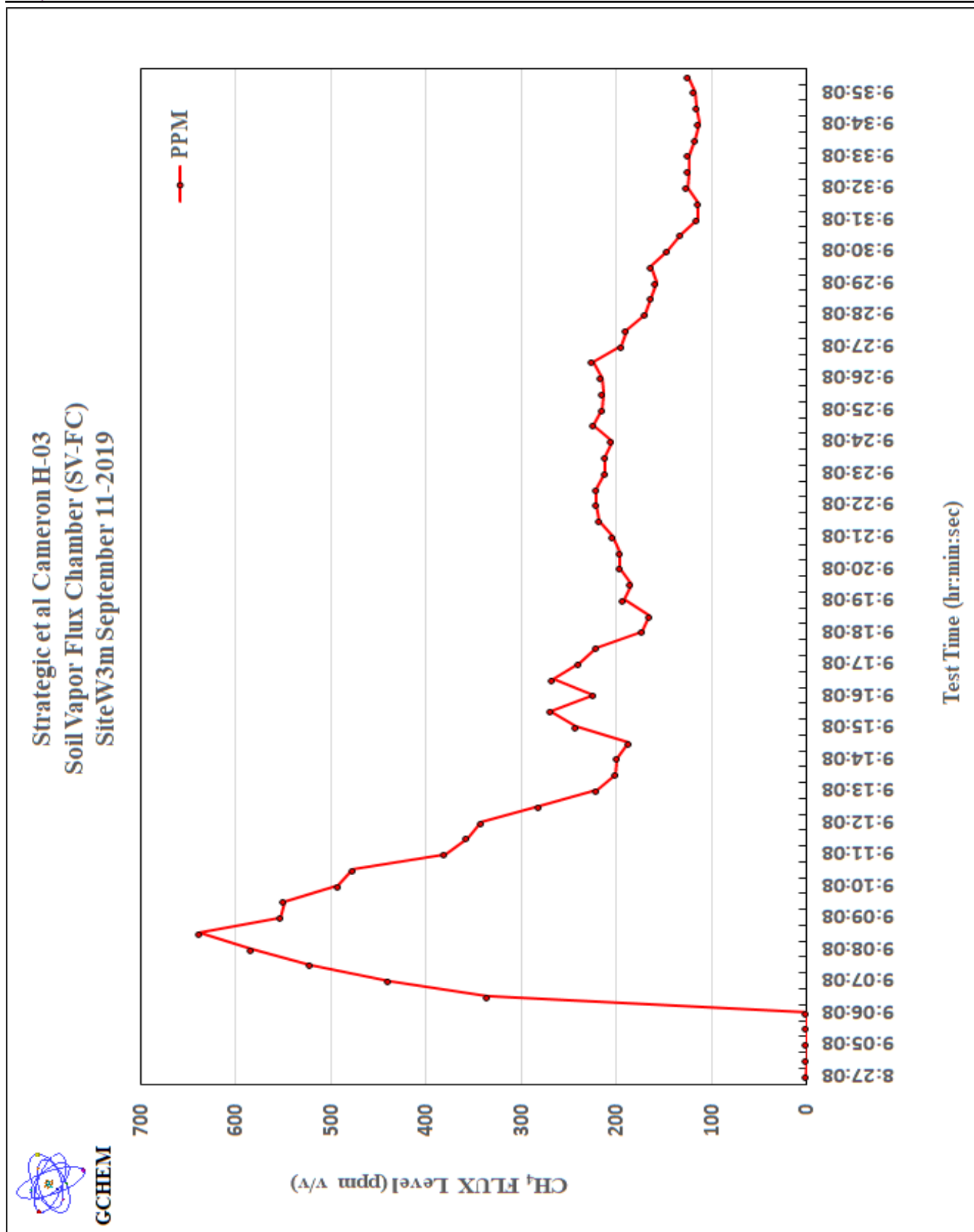
dC/dt = change in concentration with time (the slope of a *concentration versus elapsed time* plot).

The volumetric flux is calculated from ppm v/v units (10<sup>-6</sup> m<sup>3</sup> light alkanes/ m<sup>3</sup> air) and the gravimetric flux is calculated by converting ppm v/v to g/m<sup>3</sup> of air using the ideal gas law (PV = nRT) with P = 1 atmosphere and T = 25°C.

On September 10, 2019 the highest methane reading observed during the non-intrusive surface scan was at W3m (86 ppm v/v methane). A GCHEM soil vapour-flux chamber (SV-FC) was installed at W3m and a 29-minute flux was conducted (Figure-3, Table-3). At the start of the flux the combustible gas reading was 1 ppm v/v methane and increased to 638 ppm v/v after 9 minutes and 30 seconds. The combustible gas reading gradually decreased after 9 minutes and 30 seconds to 125 ppm v/v after a 24-minute test. Gas samples were collected from the flux chamber at 09:10.

| Strategic et al Cameron H-03 Soil Vapor Flux Field CH <sub>4</sub> Test Time & Levels Site – W3m |     |      |      |           |     |      |      |           |     |      |      |
|--|-----|------|------|-----------|-----|------|------|-----------|-----|------|------|
| Test-Time  | PPM | %LEL | %V/V | Test-Time | PPM | %LEL | %V/V | Test-Time | PPM | %LEL | %V/V |
| 8:27:08  | 1   | 0    | 0    | 9:15:08   | 243 | 0.4  | 0.02 | 9:26:08   | 216 | 0.4  | 0.02 |
| 9:04:38  | 0   | 0    | 0    | 9:15:38   | 269 | 0.5  | 0.02 | 9:26:38   | 225 | 0.4  | 0.02 |
| 9:05:08  | 0   | 0    | 0    | 9:16:08   | 224 | 0.4  | 0.02 | 9:27:08   | 195 | 0.3  | 0.01 |
| 9:05:38  | 0   | 0    | 0    | 9:16:38   | 267 | 0.5  | 0.02 | 9:27:38   | 189 | 0.3  | 0.01 |
| 9:06:08  | 0   | 0    | 0    | 9:17:08   | 239 | 0.4  | 0.02 | 9:28:08   | 170 | 0.3  | 0.01 |
| 9:06:38  | 336 | 0.6  | 0.03 | 9:17:38   | 221 | 0.4  | 0.02 | 9:28:38   | 164 | 0.3  | 0.01 |
| 9:07:08  | 439 | 0.8  | 0.04 | 9:18:08   | 173 | 0.3  | 0.01 | 9:29:08   | 158 | 0.3  | 0.01 |
| 9:07:38  | 522 | 1.0  | 0.05 | 9:18:38   | 165 | 0.3  | 0.01 | 9:29:38   | 164 | 0.3  | 0.01 |
| 9:08:08  | 584 | 1.1  | 0.05 | 9:19:08   | 192 | 0.3  | 0.01 | 9:30:08   | 147 | 0.2  | 0.01 |
| 9:08:38  | 638 | 1.2  | 0.06 | 9:19:38   | 185 | 0.3  | 0.01 | 9:30:38   | 133 | 0.2  | 0.01 |
| 9:09:08  | 553 | 1.1  | 0.05 | 9:20:08   | 196 | 0.3  | 0.01 | 9:31:08   | 115 | 0.2  | 0.01 |
| 9:09:38  | 549 | 1.0  | 0.05 | 9:20:38   | 196 | 0.3  | 0.01 | 9:31:38   | 114 | 0.2  | 0.01 |
| 9:10:08  | 492 | 0.9  | 0.04 | 9:21:08   | 204 | 0.4  | 0.02 | 9:32:08   | 126 | 0.2  | 0.01 |
| 9:10:38  | 477 | 0.9  | 0.04 | 9:21:38   | 218 | 0.4  | 0.02 | 9:32:38   | 124 | 0.2  | 0.01 |
| 9:11:08  | 380 | 0.7  | 0.03 | 9:22:08   | 221 | 0.4  | 0.02 | 9:33:08   | 124 | 0.2  | 0.01 |
| 9:11:38  | 357 | 0.7  | 0.03 | 9:22:38   | 221 | 0.4  | 0.02 | 9:33:38   | 117 | 0.2  | 0.01 |
| 9:12:08  | 342 | 0.6  | 0.03 | 9:23:08   | 212 | 0.4  | 0.02 | 9:34:08   | 113 | 0.2  | 0.01 |
| 9:12:38  | 281 | 0.5  | 0.02 | 9:23:38   | 212 | 0.4  | 0.02 | 9:34:38   | 116 | 0.2  | 0.01 |
| 9:13:08  | 220 | 0.4  | 0.02 | 9:24:08   | 205 | 0.4  | 0.02 | 9:35:08   | 118 | 0.2  | 0.01 |
| 9:13:38  | 201 | 0.4  | 0.02 | 9:24:38   | 224 | 0.4  | 0.02 | 9:35:38   | 125 | 0.2  | 0.01 |
| 9:14:08  | 199 | 0.3  | 0.01 | 9:25:08   | 215 | 0.4  | 0.02 |           |     |      |      |
| 9:14:38  | 187 | 0.3  | 0.01 | 9:25:38   | 214 | 0.4  | 0.02 |           |     |      |      |

**Table 3. Non-Intrusive Soil CH<sub>4</sub> Levels Enclosed Soil Vapour Flux Chamber (SV-FC).** CH<sub>4</sub> levels vs. Test recorded in the Soil Vapor-Flux Chamber (SV-FC) located at AGM Site W3m at Strategic et al Cameron H-03.



**Figure-3. CH<sub>4</sub> Gas Levels vs. Test Time** measured by the PMD in the FLUX Chamber at AGM Sites W3m from the well head at Strategic et al Cameron H-03.

| Field PMD CH <sub>4</sub> Values                |  |   |  |
|---|--|---|--|
| Venting Gas Volume Calculation Type             | Gas Component                                | Volumetric FLUX (m <sup>3</sup> /m <sup>2</sup> /day) | Gravimetric FLUX (g/m <sup>2</sup> /day) |
| CH <sub>4</sub> Gas FLUX Volume                 | Methane (CH <sub>4</sub> )                   | 0.001319241   | 0.861699781                              |
| Laboratory Chemical Compositions                |  |   |  |
|   | Gas Component                                | Volumetric FLUX (m <sup>3</sup> /m <sup>2</sup> /day) | Gravimetric FLUX (g/m <sup>2</sup> /day) |
| Speciated LHG & CO <sub>2</sub> Gas FLUX Volume | Methane (CH <sub>4</sub> )                   |   |  |
|   | Ethane (C <sub>2</sub> H <sub>6</sub> )      |   |  |
|   | Propane (C <sub>3</sub> H <sub>8</sub> )     |   |  |
|   | n-Butane (n-C <sub>4</sub> H <sub>10</sub> ) |   |  |
|   | Carbon Dioxide (CO <sub>2</sub> )            |   |  |

**Table-4. Calculated venting CH<sub>4</sub> (methane) gas FLUX & Speciated FLUX Rate-Volume measured at anomalous AGM Site W3m from the well head at Strategic et al Cameron H-03. A speciated light hydrocarbon venting gas flux rate-volume (methane, ethane, propane, butane) and carbon dioxide was not calculated.**

## 4.2 Analytical Methods

- a. High Resolution Compositional Analysis (HRCA).
  - i. He, H<sub>2</sub>, O<sub>2</sub>, N<sub>2</sub>, CO<sub>2</sub>, CH<sub>4</sub> to n-C<sub>5</sub>H<sub>12</sub> & C<sub>6</sub>+
- b. Stable Carbon ( $\delta^{13}\text{C}$ ) and Hydrogen ( $\delta\text{D}$ ) Isotopic Analysis.
  - i.  $\delta^{13}\text{C}$  CH<sub>4</sub> to n-C<sub>5</sub>H<sub>12</sub> and CO<sub>2</sub>, and  $\delta\text{D}$  CH<sub>4</sub> to n-C<sub>5</sub>H<sub>12</sub>

Compositional (molecular) analyses were conducted at GCHEM's Analytical Laboratory using Hewlett Packard 5890 and Agilent 7890 Gas Chromatographs (GCs) configured for low (ppb v/v to ppm v/v) too high (vol. %) level detection of light alkane/alkene gases and atmospheric gas components. Chemical analysis of gases measured, and analytical error are shown in Table-1.

Stable carbon ( $\delta^{13}\text{C}$ ) isotope ratios of light hydrocarbon gases (LHG) and carbon dioxide and hydrogen isotope ratios ( $\delta\text{D}$ ) of LHG were also measured at GCHEM's Analytical Laboratory on a Thermo-Scientific MAT-253 Gas Chromatograph-Combustion-Continuous Flow-Isotope Ratio Mass Spectrometer (GC-C-CF-IRMS). Carbon isotope ratios are reported in delta ( $\delta$ ) notation and per mil (‰, parts per thousand) with respect to VPDB (Vienna Pee Dee Belemnite). Hydrogen isotope ratios are reported in delta ( $\delta$ ) notation and per mil (‰) with respect to VSMOW (Vienna Standard Mean Ocean Water).

| Gas Component (ppmv) | Molecular Formula                            | Analytical Error (%) | Stable Carbon Isotopic Composition ( $\delta^{13}\text{C}$ ) | Analytical Error (‰ VPDB) | Hydrogen Isotopic Composition ( $\delta\text{D}$ ) | Analytical Error (‰ VSMOW) |
|----------------------|--|----------------------|--|---------------------------|--|----------------------------|
| Hydrogen             | H <sub>2</sub>                               | ±7%                  | -  | -                         | $\delta\text{D H}_2$                               | ±10                        |
| Helium               | He   | ±7%                  | -  | -                         | -  | -                          |
| Nitrogen             | N <sub>2</sub>                               | ±7%                  | -  | -                         | -  | -                          |
| Oxygen               | O <sub>2</sub>                               | ±7%                  | -  | -                         | -  | -                          |
| Carbon Dioxide       | CO <sub>2</sub>                              | ±7%                  | $\delta^{13}\text{C CO}_2$                                   | ±0.2                      | -  | -                          |
| Hydrogen Sulphide    | H <sub>2</sub> S                             | ±7%                  | -  | -                         | -  | -                          |
| Methyl Mercaptan     | CH <sub>4</sub> S                            | ±7%                  | -  | -                         | -  | -                          |
| Ethyl Mercaptan      | C <sub>2</sub> H <sub>6</sub> S              | ±7%                  | -  | -                         | -  | -                          |
| Thiophene            | C <sub>4</sub> H <sub>4</sub> S              | ±7%                  | -  | -                         | -  | -                          |
| Dimethyl Disulfide   | C <sub>2</sub> H <sub>6</sub> S <sub>2</sub> | ±7%                  | -  | -                         | -  | -                          |
| Methane              | CH <sub>4</sub>                              | ±7%                  | $\delta^{13}\text{C CH}_4$                                   | ±0.1                      | $\delta\text{D CH}_4$                              | ±10                        |
| Ethane               | C <sub>2</sub> H <sub>6</sub>                | ±7%                  | $\delta^{13}\text{C C}_2\text{H}_6$                          | ±0.2                      | $\delta\text{D C}_2\text{H}_6$                     | ±10                        |
| Ethene               | C <sub>2</sub> H <sub>4</sub>                | ±7%                  | $\delta^{13}\text{C C}_2\text{H}_4$                          | ±0.2                      | $\delta\text{D C}_2\text{H}_4$                     | ±10                        |
| Propane              | C <sub>3</sub> H <sub>8</sub>                | ±7%                  | $\delta^{13}\text{C C}_3\text{H}_8$                          | ±0.2                      | $\delta\text{D C}_3\text{H}_8$                     | ±10                        |
| Propene              | C <sub>3</sub> H <sub>6</sub>                | ±7%                  | $\delta^{13}\text{C C}_3\text{H}_6$                          | ±0.2                      | $\delta\text{D C}_3\text{H}_6$                     | ±10                        |
| iso-Butane           | i-C <sub>4</sub> H <sub>10</sub>             | ±7%                  | $\delta^{13}\text{C i-C}_4\text{H}_{10}$                     | ±0.2                      | $\delta\text{D i-C}_4\text{H}_{10}$                | ±10                        |
| normal-Butane        | n-C <sub>4</sub> H <sub>10</sub>             | ±7%                  | $\delta^{13}\text{C n-C}_4\text{H}_{10}$                     | ±0.2                      | $\delta\text{D n-C}_4\text{H}_{10}$                | ±10                        |
| iso-Pentane          | i-C <sub>5</sub> H <sub>12</sub>             | ±7%                  | $\delta^{13}\text{C i-C}_5\text{H}_{12}$                     | ±0.2                      | $\delta\text{D i-C}_5\text{H}_{12}$                | ±10                        |
| normal-Pentane       | n-C <sub>5</sub> H <sub>12</sub>             | ±7%                  | $\delta^{13}\text{C n-C}_5\text{H}_{12}$                     | ±0.2                      | $\delta\text{D n-C}_5\text{H}_{12}$                | ±10                        |
| Hexane and higher    | C <sub>6</sub> +                             | ±7%                  | -  | -                         | -  | -                          |

**Table 5.** Gas components, isotopic compositions measured and the analytical error of the measurements at GCHEM's Analytical Laboratory.

## 5.0 Geochemical Measurements-Laboratory Results.

As part of this VIA (AGM), a total of 4 gas samples were collected, contained and preserved from the following locations or sample points: SVPs-soils outside casing (E5m, NW2m, W3m and E3m) and 3-BKG locations (N30m, W30m and E30m).

At the request of the Strategic Oil and Gas, chemical and  $\delta^{13}\text{C}$  isotopic compositions were measured for gases obtained from two SVP test sites (E3m and NW2m) that contained elevated, above background, levels of combustible gases and chemical compositions for one BKG SVP (W30m). High Resolution chemical and  $\delta^{13}\text{C}$  isotopic compositions were measured at GCHEM's Forensic Lab and are provided in Table 4.

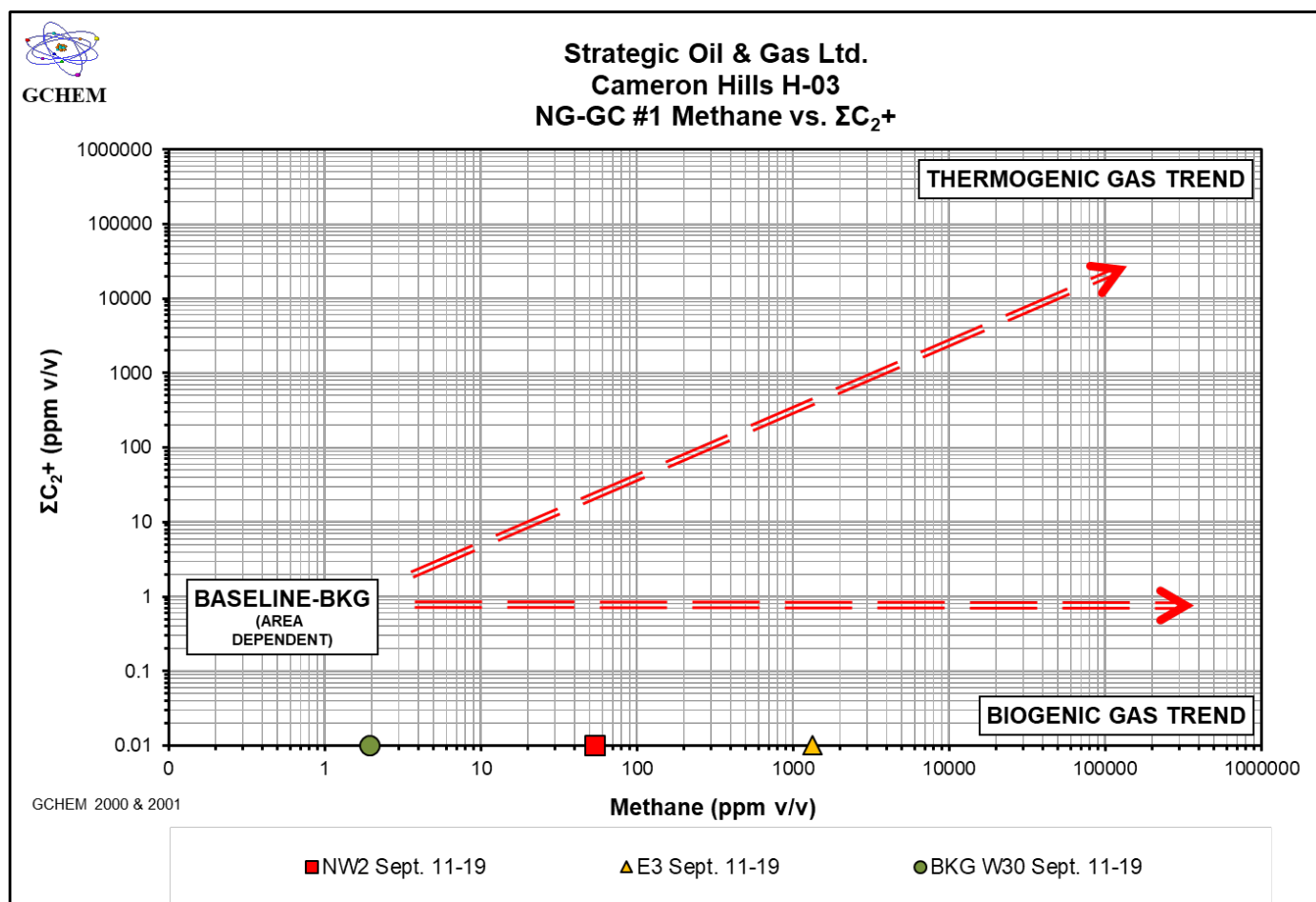
### 5.1 Gases Obtained from Soil Vapor Probes (SVPs).

Gases measured in two SVPs test sites in soils near the well bore (E3m and NW2m) contain elevated above atmospheric levels of  $\text{CO}_2$  (3329 and 9963 ppm v/v, respectively). Methane gas was elevated (1331 and 53.75 ppm v/v, respectively) when compared to background level measured at BKG W30m (1.94 ppm v/v) (Table 4 and Figure 3).  $\text{C}_2+$  gas levels in SVPs E3m and NW2m were low ( $<0.01$ ) and similar to background levels ( $<0.01$  ppm v/v). High methane with low, associated  $\text{C}_2+$  thermogenic gases suggests a biogenic or biotic source via  $\text{CO}_2$  reduction or fermentation reactions for methane gas (Figures 5 and 6).  $\text{C}_6+$  gas contents at SVPs sites E3m and NW2m were low (0.09 and 0.07 ppm v/v respectively) and suggest hydrocarbon contamination was not present at SVP test sites (Figure 4).

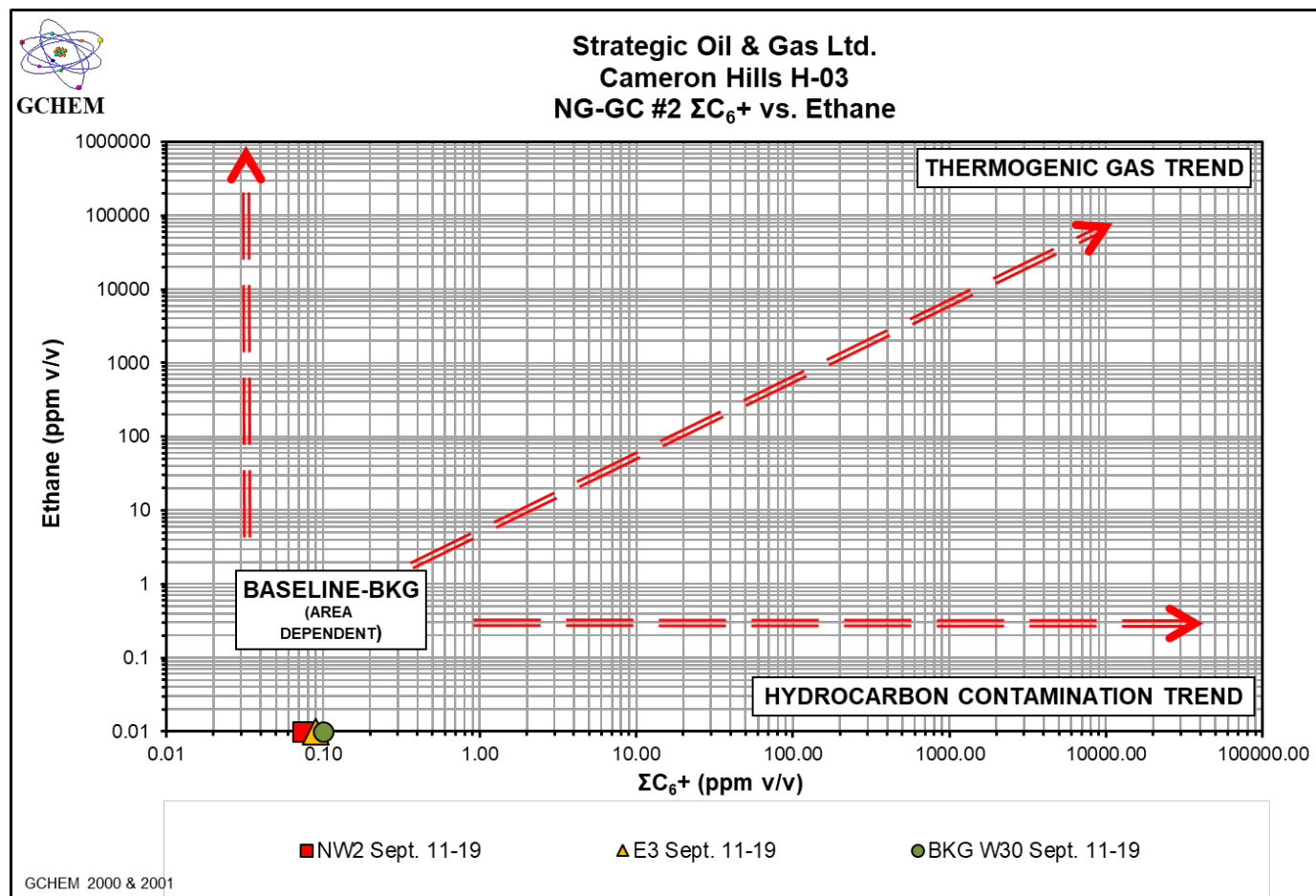
Sufficient level of  $\text{CH}_4$  was too low to measure  $\delta^{13}\text{C}$  isotopic compositions at SVP site NW2m and levels of  $\text{C}_2+$  gases at SVP sites E3m and NW2m were too low to measure  $\delta^{13}\text{C}$  isotopic compositions.  $\delta^{13}\text{C}$   $\text{CH}_4$  and  $\delta^{13}\text{C}$   $\text{CO}_2$  at SVP E3m was -45.61 and -13.38 ‰ VPDB, respectively.  $\delta^{13}\text{C}$   $\text{CO}_2$  at SVP NW2m was -14.29 ‰ VPDB (Table 4).  $\delta^{13}\text{C}$   $\text{CH}_4$  and  $\text{CO}_2$  values for gases obtained at soil site E3m shows significant alteration by bacterial oxidation processes however, low, similar to background levels of  $\Sigma\text{C}_2+$  supports at biotic source for  $\text{CH}_4$  gas via bacterial fermentation pathways at both SVP sites E3m and NW2m (Figures 6 and 7).

**Table 6.** High resolution molecular and stable carbon isotopic compositions of gas samples collected as part of the VIA at Strategic et al Cameron H-03. Hydrogen isotopic compositions were not measured at the request of SOG.

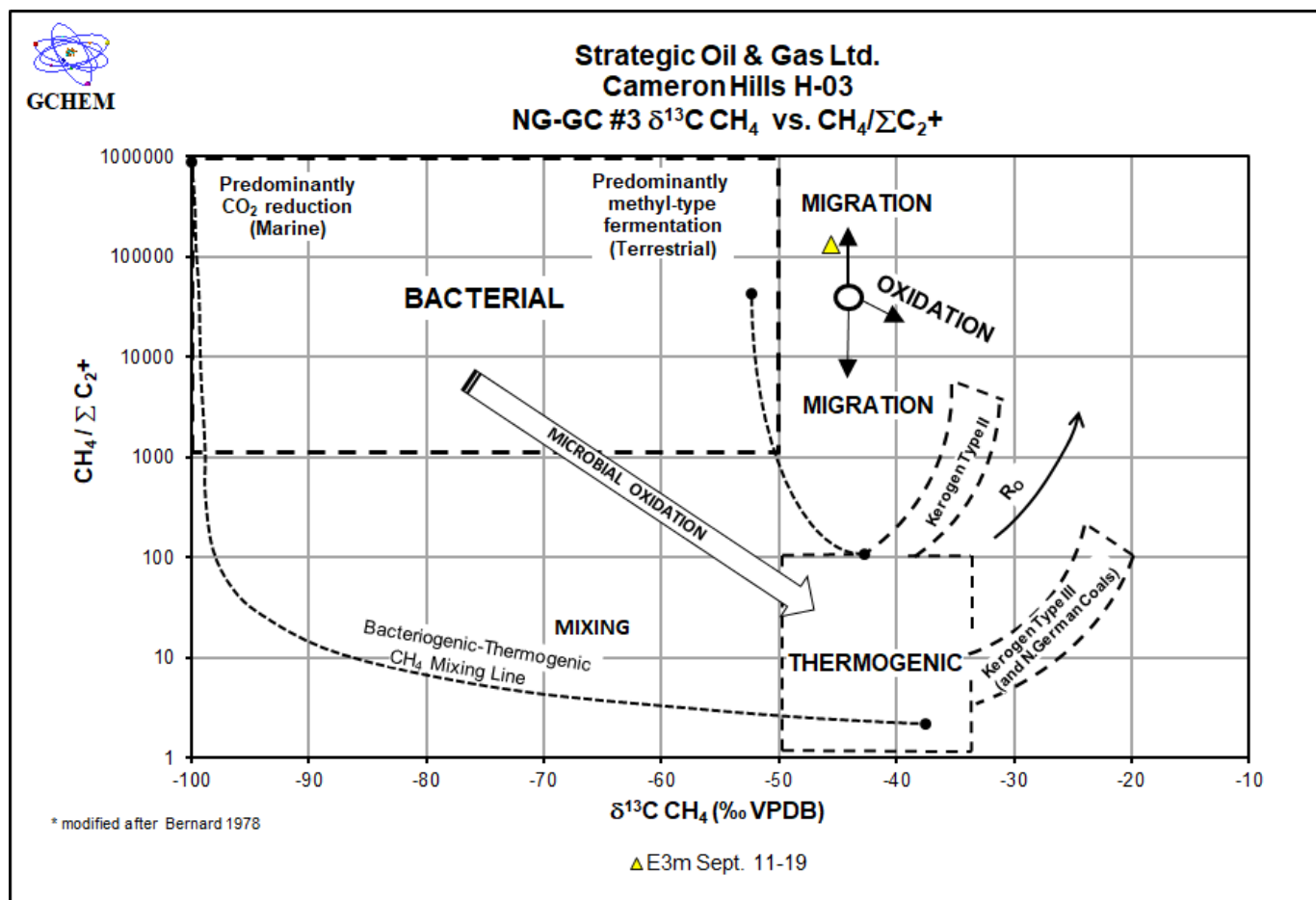
| Sample Point<br>Date Collected                         | NW2<br>Sept. 11-19<br>(ppm v/v) | E3<br>Sept. 11-19<br>(ppm v/v) | BKG W<br>Sept. 11-19<br>(ppm v/v) |
|--|---------------------------------|--------------------------------|-----------------------------------|
| <b>Gas Component</b>                                   |                                 |                                |                                   |
| Hydrogen   | 2.96                            | 5.58                           | 4.16                              |
| Helium   | 2.40                            | 2.66                           | 2.38                              |
| Nitrogen   | 776335                          | 772574                         | 777865                            |
| Oxygen   | 220278                          | 216123                         | 220204                            |
| Carbon Dioxide   | 3329                            | 9963                           | 1922                              |
| Methane  | 53.75                           | 1331                           | 1.94                              |
| Ethane   | <0.01                           | <0.01                          | <0.01                             |
| Ethene   | <0.01                           | <0.01                          | <0.01                             |
| Propane  | <0.01                           | <0.01                          | <0.01                             |
| Propene  | <0.01                           | <0.01                          | <0.01                             |
| iso-Butane   | <0.01                           | <0.01                          | <0.01                             |
| n-Butane   | <0.01                           | <0.01                          | <0.01                             |
| iso-Pentane  | <0.01                           | <0.01                          | <0.01                             |
| n-Pentane  | <0.01                           | <0.01                          | <0.01                             |
| C <sub>6</sub> +                                       | 0.07                            | 0.09                           | 0.10                              |
|  |                                 |                                |                                   |
| C1 Index (C1/ΣC2+)                                     | N/A                             | N/A                            | N/A                               |
| C2 Index (C2/ΣC3+)                                     | N/A                             | N/A                            | N/A                               |
| C3 Index (C3/ΣC4+)                                     | N/A                             | N/A                            | N/A                               |
| C4 Index (C4/C5)                                       | N/A                             | N/A                            | N/A                               |
| ΣC2+   | N/A                             | N/A                            | N/A                               |
| ATM Ratio (N <sub>2</sub> /O <sub>2</sub> )            | 3.52                            | 3.57                           | 3.53                              |
| Vol % CO <sub>2</sub> of TG                            | 0.33                            | 1.00                           | 0.19                              |
| Vol % Lt. Alk. of TG                                   | 0.01                            | 0.13                           | 0.00                              |
| Vol % Lt. Alk. CH <sub>4</sub>                         | 100.0                           | 100.0                          | 100.00                            |
| Vol % Lt. Alk. C <sub>2</sub> +                        | 0.00                            | 0.00                           | 0.00                              |
| Vol % C <sub>2</sub> + of TG                           | 0.00                            | 0.00                           | 0.00                              |
|  |                                 |                                |                                   |
| <b>Stable Carbon Isotope Compositions (‰ VPDB)</b>     |                                 |                                |                                   |
| δ <sup>13</sup> C CH <sub>4</sub>                      | nm                              | -45.61                         | nm                                |
| δ <sup>13</sup> C C <sub>2</sub> H <sub>6</sub>        | nm                              | nm                             | nm                                |
| δ <sup>13</sup> C C <sub>2</sub> H <sub>4</sub>        | nm                              | nm                             | nm                                |
| δ <sup>13</sup> C C <sub>3</sub> H <sub>8</sub>        | nm                              | nm                             | nm                                |
| δ <sup>13</sup> C C <sub>3</sub> H <sub>6</sub>        | nm                              | nm                             | nm                                |
| δ <sup>13</sup> C i-C <sub>4</sub> H <sub>10</sub>     | nm                              | nm                             | nm                                |
| δ <sup>13</sup> C n-C <sub>4</sub> H <sub>10</sub>     | nm                              | nm                             | nm                                |
| δ <sup>13</sup> C i-C <sub>5</sub> H <sub>12</sub>     | nm                              | nm                             | nm                                |
| δ <sup>13</sup> C n-C <sub>5</sub> H <sub>12</sub>     | nm                              | nm                             | nm                                |
| δ <sup>13</sup> C CO <sub>2</sub>                      | -14.29                          | -13.38                         | -16.99                            |
|  |                                 |                                |                                   |
| <b>Stable Hydrogen Isotopic Compositions (‰ VSMOW)</b> |                                 |                                |                                   |
| δD H <sub>2</sub>                                      | nm                              | nm                             | nm                                |
| δD CH <sub>4</sub>                                     | nm                              | nm                             | nm                                |
| δD C <sub>2</sub> H <sub>6</sub>                       | nm                              | nm                             | nm                                |
| δD C <sub>3</sub> H <sub>8</sub>                       | nm                              | nm                             | nm                                |
| δD i-C <sub>4</sub> H <sub>10</sub>                    | nm                              | nm                             | nm                                |
| δD n-C <sub>4</sub> H <sub>10</sub>                    | nm                              | nm                             | nm                                |
|  |                                 |                                |                                   |
| <b><sup>14</sup>C Concentration (pMC)</b>              |                                 |                                |                                   |
|  | nm                              | nm                             | nm                                |



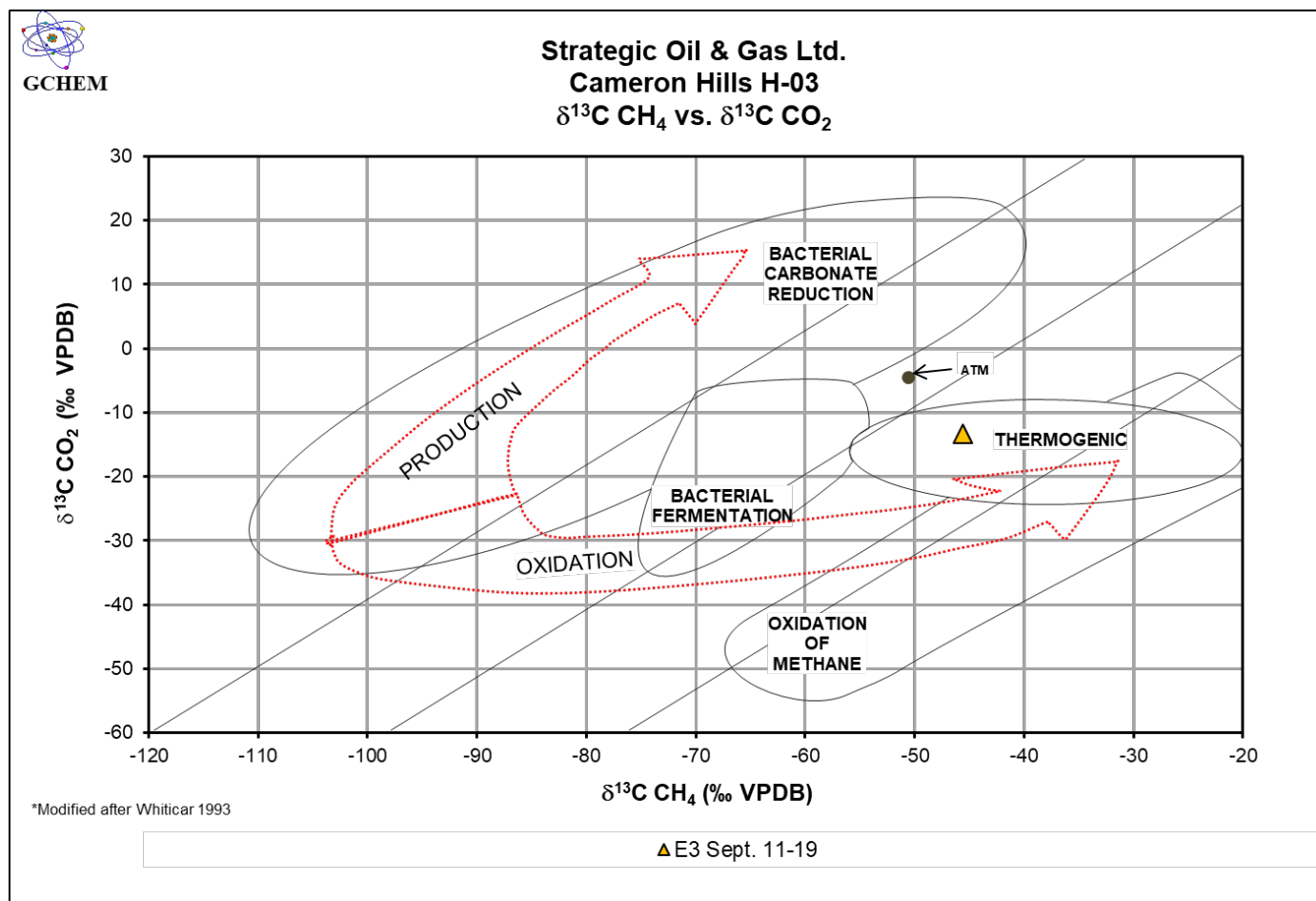
**Figure-4.  $\Sigma C_2+$  vs Methane.** Combustible gases detected in soils and SCVs at a wellhead may result from several origins. Natural gases indicative of SCVF or AGM are thermogenic in origin (natural gas in deep reservoirs), contain high methane and  $C_2+$  contents and plot in the Upper RH Quadrant. Low natural gas levels in background, off lease areas are naturally present in soils, vary from region to region and plot in the Lower LH Quadrant. Biogenic gases (swamp-gas) are produced by bacteria, are comprised of predominantly methane and plot in Lower RH Quadrant. Samples plotting in the Lower LH and RH do not contain SCVF or AGM and would not require down-hole remediation.



**Figure 5.  $\Sigma C_6+$  vs Ethane.**  $C_6+$  gases are relatively large molecules that do not readily or easily migrate in large quantities from depth upwards through subsurface fractures or micro-fractures to surface. Contamination by oil spills, fuels, and solvents is indicated by soil vapor samples that have high contents of  $C_6+$  compounds and plot in the Lower RH Quadrant. Samples plotting in the Lower LH and RH Quadrants do not contain evidence of either SCVF or AGM and would not require downhole repair operations.



**Figure 6.  $\text{CH}_4/\Sigma\text{C}_{2+}$  vs.  $\delta^{13}\text{C CH}_4$ .** Thermogenic methane or methane generated by abiotic processes such as the thermal degradation of organic matter at high temperature and pressure (thermogenesis) contains enriched (less negative)  $\delta^{13}\text{C}$  values ranging from -50 to -20‰ VPDB and methane relative to  $\text{C}_{2+}$  gas contents (gas wetness) less than 100. Methane gas can be generated by biotic processes such as the degradation of organic matter via  $\text{CO}_2$  reduction or fermentation reactions generating biogenic methane. It should be noted that as a normal part of soil respiration, methane may be generated or destroyed by variable biotic pathways. Biogenic methane gas may be oxidized by bacteria resulting in an ‘isotopic enriching effect’ (i.e.  $\delta^{13}\text{C}$  values become less negative as a result of oxidizing bacteria in soils that preferentially consume  $^{12}\text{C}$  over  $^{13}\text{C}$ , leaving the remaining gas enriched in  $^{13}\text{C}$ ). Since biogenic oxidation decreases the ratio between  $^{12}\text{C}$  and  $^{13}\text{C}$ , it may result in enriched  $\delta^{13}\text{C CH}_4$  values that overlap with the MIXING or THERMOGENIC-GAS TREND. Biogenic methane may therefore contain  $\delta^{13}\text{C}$  values greater than -50‰ VPDB (GCHEM Internal RD).



**Figure 7.  $\delta^{13}\text{C CO}_2$  vs.  $\delta^{13}\text{C CH}_4$ .** Thermogenic methane or methane generated by abiotic processes such as the degradation of organic matter at high temperature and pressure contains enriched (less negative)  $\delta^{13}\text{C}$  values ranging from -55 to -20‰ VPDB (or higher) and  $\delta^{13}\text{C CO}_2$  values in the range of -25 to 4‰ VPDB. Methane gas may be generated by biotic processes such as the degradation of organic matter via  $\text{CO}_2$  reduction or fermentation reactions generating biogenic methane. Biogenic methane may contain  $\delta^{13}\text{C}$  values greater than -40‰ VPDB due to biogenic oxidation processes (GCHEM, in prep).

## 6.0 Conclusions

Soils outside casing are wet increasing the difficulty leaking natural gas assessments. 11 of the 13 intrusive soil sites outside casing tested for combustible gas contents contained elevated methane levels that ranged from 52 to 5050 ppm v/v. H<sub>2</sub>S was not detected (< 1.0 ppm v/v) at any of the soil test hole sites. SOG selected SVP test sites E3m (1179 ppm v/v) and NW2m (4164 ppm v/v) for high resolution chemical and stable carbon isotope measurements to classify combustible gas contents. Light hydrocarbon gases were dominated by methane gas while associated C<sub>2</sub>+ gases were low and similar to background levels measured at test site BKG N30m. Methane index ratio (gas wetness) suggest that elevated %LEL values and associated CH<sub>4</sub> gas measured at the 2-soil sites are biogenic in origin. Sufficient levels of methane were available from only soil test site E3m for  $\delta^{13}\text{C}$  CH<sub>4</sub> and  $\delta^{13}\text{C}$  CO<sub>2</sub> isotopic measurements. Test site E3m contains enriched  $\delta^{13}\text{C}$  CH<sub>4</sub> values. However, gases obtained from shallow soils are subject to extensive bacterial oxidization enriching effects and as such, CH<sub>4</sub> gas is probably the result of low temperature degradation of organic matter that has undergone primary bacterial oxidation and secondary alteration processes.

With information available to date, SVP soil test sites E3m and NW2m would be classified as ‘biogenic-baseline’ where CH<sub>4</sub> gas is the result of natural soil respirations processes via CO<sub>2</sub> reduction or fermentation processes generating biogenic CH<sub>4</sub>. C<sub>2</sub>+ gases in soils at these tests sites are low and similar to background levels and the result of natural movement of thermogenic natural gas, from reservoirs at depth, upward through fractures and micro-fractures to surface. This is a naturally occurring process prevalent in every hydrocarbon sedimentary basin in the world.

# **Attachment-1**

**Strategic Oil & Gas Ltd.**

**Strategic Cameron H-03**

**Well Site Photographs**









# **Attachment-2**

**Strategic Oil & Gas Ltd.**

**Strategic Cameron H-03**

**Chain of Custody (COC)**

**ENERGY FORENSICS**
**CHAIN OF CUSTODY**

Sample Submission Form

Bay#1, 4810-62nd Ave, Lloydminster, Alberta T9V 2E9  
Email: [info@gchem.ca](mailto:info@gchem.ca)  
Tel: (780) 871-4668  
Fax: (780) 808-8883

**GCHEM LTD.**

GCHEM Ltd. Project# \_\_\_\_\_

**Client Information**

Company Strategic  
Address \_\_\_\_\_  
City, Prov. \_\_\_\_\_  
Postal Code \_\_\_\_\_  
Client Contact \_\_\_\_\_  
Phone # \_\_\_\_\_  
Fax # \_\_\_\_\_  
E-Mail \_\_\_\_\_

**Billing/Report Information**

Company \_\_\_\_\_  
Address \_\_\_\_\_  
City, Prov. \_\_\_\_\_  
Postal Code \_\_\_\_\_  
Client Contact \_\_\_\_\_  
Phone # \_\_\_\_\_  
Fax # \_\_\_\_\_  
E-Mail \_\_\_\_\_

**Services Needed (TAT)**

\*Standard 5-7 Days ☒  
\*\*Rush 48hrs. \_\_\_\_\_  
\*\*\*Priority Rush 24hrs. \_\_\_\_\_

(\*) Working Days  
(\*\*) Call for Pricing and Advance Notice

Sampled By Walter, Brian AFE/PO # \_\_\_\_\_

| Client Information              |          |                        | Billing/Report Information |                |                   | Services Needed (TAT) |                |         | Analysis To Be Performed |             |             |                |         |       |        |                   |             |                      |                  |  |  |                                       |                                     |                                |   |  |
|---------------------------------|----------|------------------------|----------------------------|----------------|-------------------|-----------------------|----------------|---------|--------------------------|-------------|-------------|----------------|---------|-------|--------|-------------------|-------------|----------------------|------------------|--|--|---------------------------------------|-------------------------------------|--------------------------------|---|--|
| Company                         | Address  | City, Prov.            | Postal Code                | Client Contact | Phone #           | Fax #                 | E-Mail         | Company | Address                  | City, Prov. | Postal Code | Client Contact | Phone # | Fax # | E-Mail | Standard 5-7 Days | Rush 48hrs. | Priority Rush 24hrs. | (*) Working Days | (**) Call for Pricing and Advance Notice | High Resolution Compositional Analysis | IRMS $\delta^2\text{H}$ (SD) Analysis | IRMS $\delta^{13}\text{C}$ Analysis | Produced Water Forensic Suite? | High Resolution Compositional $\text{H}_2\text{S}$ Analysis |  |
| Strategic                       |          |                        |                            |                |                   |                       |                |         |                          |             |             |                |         |       |        |                   |             |                      |                  |  |  |                                       |                                     |                                |   |  |
| Sampled By <u>Walker, Brian</u> |          |                        |                            |                |                   |                       |                |         |                          |             |             |                |         |       |        |                   |             |                      |                  |  |  |                                       |                                     |                                |   |  |
| No.                             | Location | Sample Identifier      | Sample Time                | Date Sampled   | Pressure Received | Actual Pressure       | Container Type | Qty.    | Sample Volume            | Media Type  |             |                |         |       |        |                   |             |                      |                  |  |  |                                       |                                     |                                |   |  |
| 1                               | H03      | Soil Gas - initial     |                            | SEP 11/19      |                   |                       | glass          | 4       |                          |             |             |                |         |       |        |                   |             |                      |                  |  |  |                                       |                                     |                                |   |  |
| 2                               |          | Flux Chamber - initial |                            | SEP 11/19      |                   |                       | glass          | 3       |                          |             |             |                |         |       |        |                   |             |                      |                  |  |  |                                       |                                     |                                |   |  |
| 3                               |          | Background - initial   |                            | SEP 11/19      |                   |                       | glass          | 3       |                          |             |             |                |         |       |        |                   |             |                      |                  |  |  |                                       |                                     |                                |   |  |
| 4                               |          | Soil Gas - final       |                            | SEP 12/19      |                   |                       | glass          | 1       |                          |             |             |                |         |       |        |                   |             |                      |                  |  |  |                                       |                                     |                                |   |  |
| 5                               |          | Background - final     |                            | SEP 12/19      |                   |                       | glass          | 1       |                          |             |             |                |         |       |        |                   |             |                      |                  |  |  |                                       |                                     |                                |   |  |
| 6                               |          | Background & Chamber   |                            | SEP 11/19      |                   |                       | glass          | 1       |                          |             |             |                |         |       |        |                   |             |                      |                  |  |  |                                       |                                     |                                |   |  |
| 7                               |          |                        |                            |                |                   |                       |                |         |                          |             |             |                |         |       |        |                   |             |                      |                  |  |  |                                       |                                     |                                |   |  |
| 8                               |          |                        |                            |                |                   |                       |                |         |                          |             |             |                |         |       |        |                   |             |                      |                  |  |  |                                       |                                     |                                |   |  |
| 9                               |          |                        |                            |                |                   |                       |                |         |                          |             |             |                |         |       |        |                   |             |                      |                  |  |  |                                       |                                     |                                |   |  |
| 10                              |          |                        |                            |                |                   |                       |                |         |                          |             |             |                |         |       |        |                   |             |                      |                  |  |  |                                       |                                     |                                |   |  |

Comments \_\_\_\_\_

Date/Time: \_\_\_\_\_

Date/Time: \_\_\_\_\_

Relinquished To: \_\_\_\_\_

Relinquished To: \_\_\_\_\_

Date/Time: Sep 17

Date/Time: \_\_\_\_\_

Relinquished By: Walter, Brian

Relinquished By: \_\_\_\_\_

# **Attachment-3**

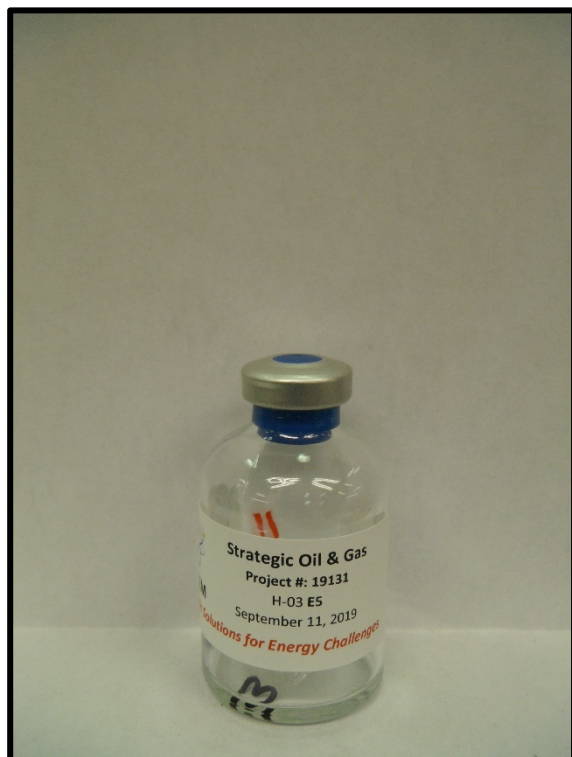
## **Strategic Oil & Gas Ltd.**

## **Strategic Cameron H-03**

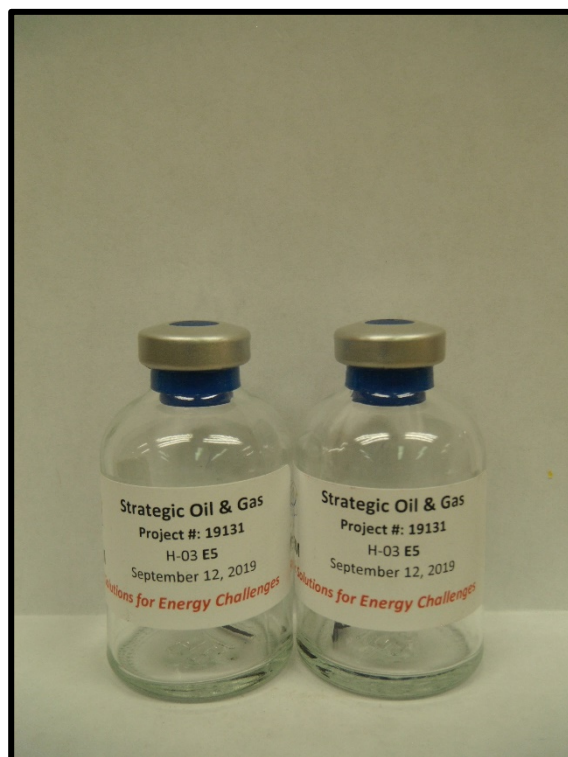
## **Gas Sample Containers**

## **Photographs**

**(red boxed pictures are samples measured for chemical and/or isotopic compositions)**



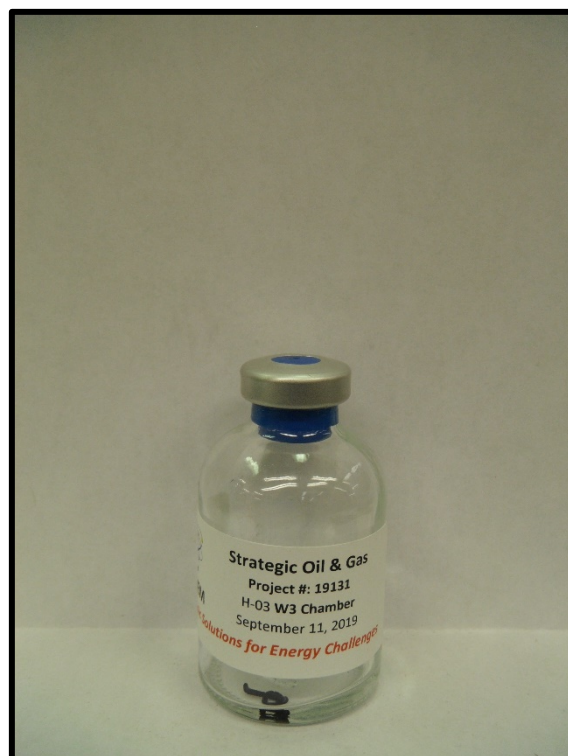
E5m  
September 11, 2019



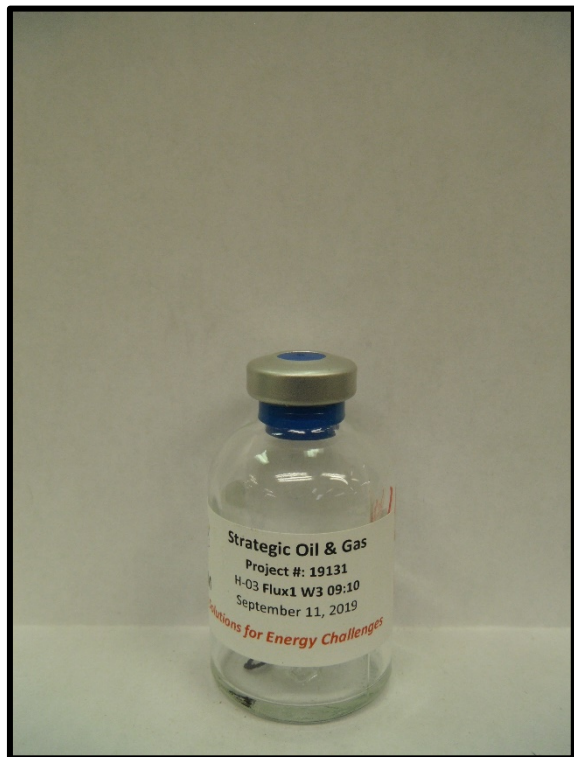
E5m  
September 12, 2019



NW2m  
September 11, 2019



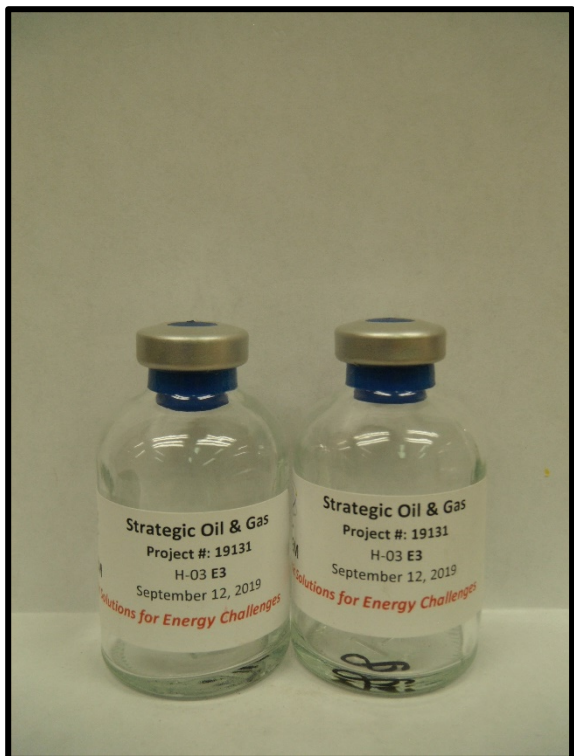
W3m Flux Chamber  
September 11, 2019



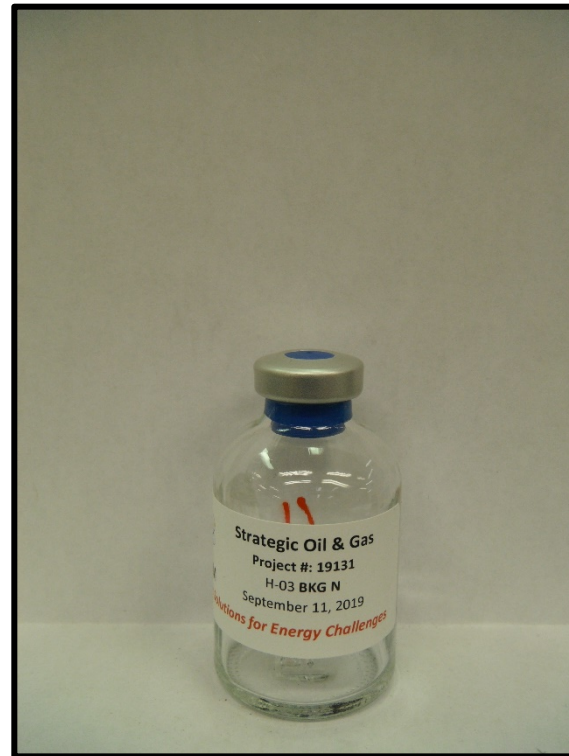
Flux 1 W3m 09:10  
September 11, 2019



E3m  
September 11, 2019



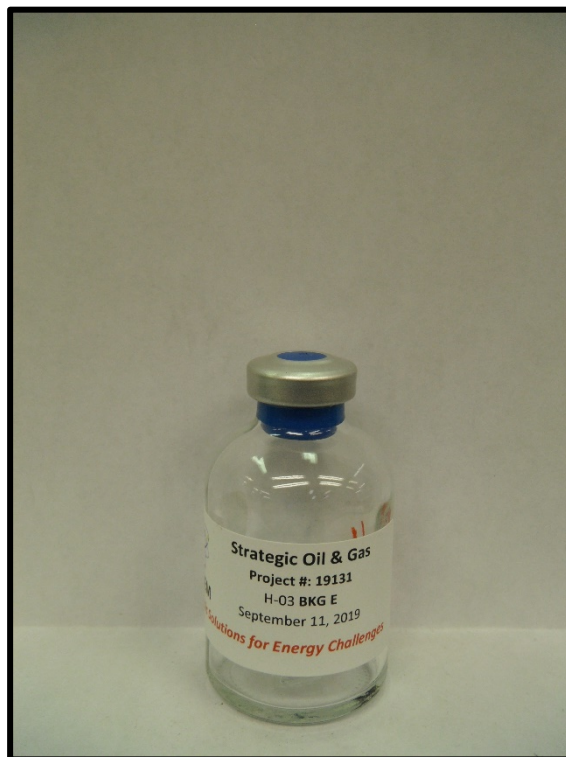
E3m  
September 12, 2019



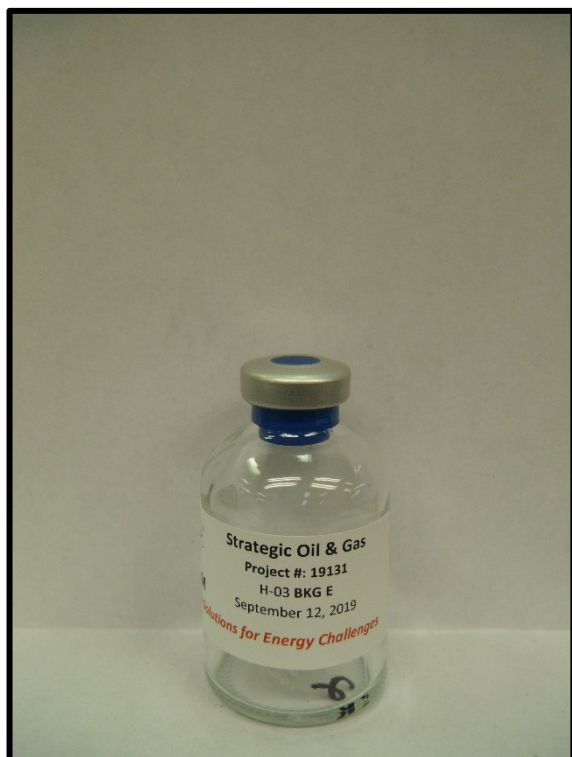
BKG N30m  
September 11, 2019



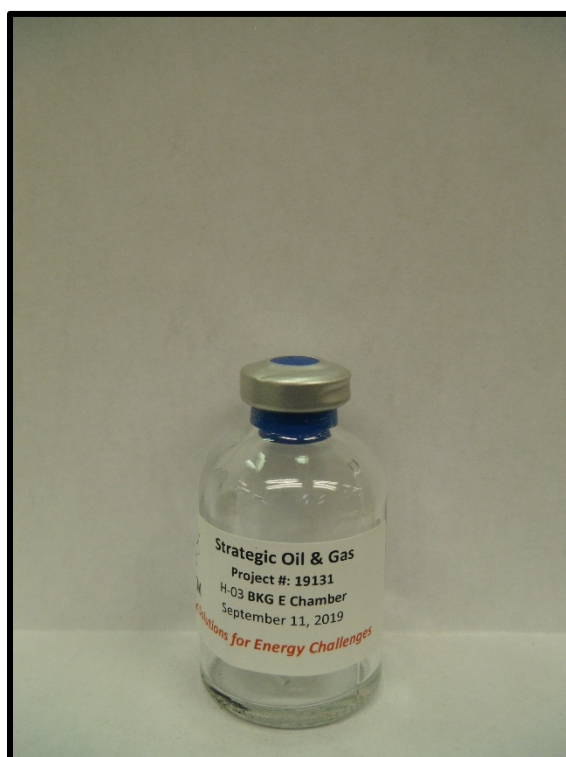
BKG W30m  
September 11, 2019



BKG E30m  
September 11, 2019



BKG E30m  
September 12, 2019



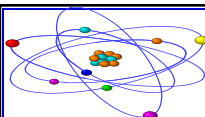
BKG E Chamber  
September 12, 2019

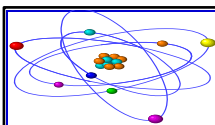
# **Attachment-4**

**Strategic Oil & Gas Ltd.**

**Strategic Cameron H-03**

**Gas Analysis Data Sheets  
(GADS)**

|  <b>GCHEM LTD.</b>  |   | <b>HIGH RESOLUTION GAS ANALYSIS</b><br><b>CARBON ISOTOPE ANALYSIS</b><br><b>HYDROGEN ISOTOPE ANALYSIS</b>   |  |  |   |   |      |                          |                           |  |
|--|---|---|--|--|---|---|------|--------------------------|---------------------------|--|
| Sampling Company   | GCHEM Ltd.                                | Lab Sample No.  | 19131-06   |  |   |   |      |                          |                           |  |
| Date Tested  | September 11, 2019                        | Test Type   | Soil gas   |  |   |   |      |                          |                           |  |
| Operator Name  | Strategic Oil & Gas                       | Sample Container Type   | Glass Bottle                                     |  |   |   |      |                          |                           |  |
| Unique Well Identifier   | H-03                                      | Sampling Point  | NW2  |  |   |   |      |                          |                           |  |
| Well Name  | not provided                              | Test Intervals or Perfs mKB   | N/A  |  |   |   |      |                          |                           |  |
| Field or Area  | not provided                              | Date Received   | September 17, 2019                               |  |   |   |      |                          |                           |  |
| Pool or Zone   | not provided                              | Date Reported   | October 9, 2019                                  |  |   |   |      |                          |                           |  |
| Well License   | not provided                              | Entered By  | Xiaolong Wang                                    |  |   |   |      |                          |                           |  |
| H2S Level (Observed at Site)   | not provided                              | Reviewed By   | Brad Johnston                                    |  |   |   |      |                          |                           |  |
| <b>Sample Handling Conditions</b>  |   |   |  |  |   |   |      |                          |                           |  |
|  | Source/Sampled                            | Received  |  |  |   |   |      |                          |                           |  |
| Pressure (kPa)   | N/A                                       | 57  |  |  |   |   |      |                          |                           |  |
| Temperature (°C)   | N/A                                       | 20  |  |  |   |   |      |                          |                           |  |
| Other Information:   |   |   |  |  |   |   |      |                          |                           |  |
| <b>Laboratory Analysis</b>   |   |   |  |  |   |   |      |                          |                           |  |
| Component  | HRGC Analysis<br>As Received<br>Mol Frac. | Air Free<br>As received<br>Mol Frac.  | Air Free / Acid Free<br>As Received<br>Mol Frac. | Carbon Isotope<br>Analysis<br>‰ VPDB   | Hydrogen Isotope<br>Analysis<br>‰ VSMOW | HRGC Analysis<br>As Received<br>ppm v/v |      |                          |                           |  |
| Neon   | 0.000013                                  | 0.003936  | 0.003936   |  |   | 13.33                                   |      |                          |                           |  |
| Hydrogen   | 0.000003                                  | 0.000874  | 0.000874   |  |   | 2.96                                    |      |                          |                           |  |
| Helium   | 0.000002                                  | 0.000707  | 0.000707   |  |   | 2.40                                    |      |                          |                           |  |
| Nitrogen   | 0.776335                                  | 0.000000  | 0.000000   |  |   | 776335                                  |      |                          |                           |  |
| Oxygen   | 0.220278                                  | 0.000004  | 0.000004   |  |   | 220278                                  |      |                          |                           |  |
| Carbon Dioxide   | 0.003329                                  | 0.982527  | 0.982527   | -14.29                                 |   | 3329                                    |      |                          |                           |  |
| Carbonyl Sulphide  | nm  | nm  | nm   |  |   | nm                                      |      |                          |                           |  |
| Hydrogen Sulphide  | nm  | nm  | nm   |  |   | nm                                      |      |                          |                           |  |
| Methyl Mercaptan   | nm  | nm  | nm   |  |   | nm                                      |      |                          |                           |  |
| Ethyl Mercaptan  | nm  | nm  | nm   |  |   | nm                                      |      |                          |                           |  |
| Thiophene  | nm  | nm  | nm   |  |   | nm                                      |      |                          |                           |  |
| Dimethyl Disulphide  | nm  | nm  | nm   |  |   | nm                                      |      |                          |                           |  |
| Methane  | 0.000054                                  | 0.015866  | 0.015866   |  |   | 53.75                                   |      |                          |                           |  |
| Ethane   | 0.000000                                  | 0.000000  | 0.000000   |  |   | <0.01                                   |      |                          |                           |  |
| Ethene   | 0.000000                                  | 0.000000  | 0.000000   |  |   | <0.01                                   |      |                          |                           |  |
| Propane  | 0.000000                                  | 0.000000  | 0.000000   |  |   | <0.01                                   |      |                          |                           |  |
| Propene  | 0.000000                                  | 0.000000  | 0.000000   |  |   | <0.01                                   |      |                          |                           |  |
| iso-Butane   | 0.000000                                  | 0.000000  | 0.000000   |  |   | <0.01                                   |      |                          |                           |  |
| n-Butane   | 0.000000                                  | 0.000000  | 0.000000   |  |   | <0.01                                   |      |                          |                           |  |
| iso-Pentane  | 0.000000                                  | 0.000000  | 0.000000   |  |   | <0.01                                   |      |                          |                           |  |
| n-Pentane  | 0.000000                                  | 0.000000  | 0.000000   |  |   | <0.01                                   |      |                          |                           |  |
| C <sub>6</sub> +   | 0.000000                                  | 0.000022  | 0.000022   |  |   | 0.07                                    |      |                          |                           |  |
| TOTAL  | 1.000000                                  | 1.000000  | 1.000000   |  |   | 1000000                                 |      |                          |                           |  |
| <b>Properties</b>  |   |   |  |  |   |   |      |                          |                           |  |
| Compositional Indices  |   | Real Gross Heating Value (mj/m3)<br>@15°C and 101.35 kPa  |  | Relative Density                       |   |   |      |                          |                           |  |
| Vol % Hydrocarbons   | 0.01                                      | <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>Air Free<br/>as received</td> <td>Moisture and<br/>Acid Gas Free</td> </tr> <tr> <td>0.00</td> <td>0.62</td> </tr> </table> |  | Air Free<br>as received                | Moisture and<br>Acid Gas Free           | 0.00                                    | 0.62 | Calc. Mol.<br>Mass Ratio | Calc. Relative<br>Density |  |
| Air Free<br>as received  | Moisture and<br>Acid Gas Free             |   |  |  |   |   |      |                          |                           |  |
| 0.00   | 0.62                                      |   |  |  |   |   |      |                          |                           |  |
| Vol % CH <sub>4</sub>  | 100.0                                     |   |  | 0.9994                                 | 0.9994                                  |   |      |                          |                           |  |
| Vol % C <sub>2</sub> +   | 0.00                                      |   |  |  |   |   |      |                          |                           |  |
| CH <sub>4</sub> / ∑ C <sub>2</sub> +   | N/A                                       |   |  |  |   |   |      |                          |                           |  |
| C <sub>2</sub> / ∑ C <sub>3</sub> +  | N/A                                       |   |  |  |   |   |      |                          |                           |  |
| C <sub>3</sub> / ∑ n-C <sub>4</sub> +  | N/A                                       |   |  |  |   |   |      |                          |                           |  |
|  |   | Pseudo Critical Properties  |  |  |   |   |      |                          |                           |  |
|  |   |   |  | As Received                            | Acid Gas Free                           |   |      |                          |                           |  |
|  |   |   |  | pPc (kPa)                              | 7327                                    |   |      |                          |                           |  |
|  |   |   |  | pTc (°K)                               | 302                                     |   |      |                          |                           |  |
| <b>Geological Origin of Natural Gas</b>  |   |   |  |  |   |   |      |                          |                           |  |
| Geological Formation   |   | Depth Range<br>(MD from KB of Well)   |  | Probable Depth<br>(MD from KB of Well) |   |   |      |                          |                           |  |
|  |   |   |  |  |   |   |      |                          |                           |  |
| <b>Comments</b>  |   |   |  |  |   |   |      |                          |                           |  |
|  |   |   |  |  |   |   |      |                          |                           |  |
| <b>Forensic Solutions for Oilfield Challenges</b><br>GCHEM Ltd. Bay #1, 4810-62 Avenue Lloydminster, AB T9V 2E9 Tel: (780) 871-4668 Fax: (780) 808-8883 e-mail: <a href="mailto:info@gchem.ca">info@gchem.ca</a> <a href="http://www.gchem.ca">www.gchem.ca</a><br>GPA 2145-09. Revision 1.3, August 1, 2016 |   |   |  |  |   |   |      |                          |                           |  |


**GCHEM LTD.**
**HIGH RESOLUTION GAS ANALYSIS  
CARBON ISOTOPE ANALYSIS  
HYDROGEN ISOTOPE ANALYSIS**

|                              |                     |                             |                    |
|------------------------------|---------------------|-----------------------------|--------------------|
| Sampling Company             | GCHEM Ltd.          | Lab Sample No.              | 19131-09           |
| Date Tested                  | September 11, 2019  | Test Type                   | Soil gas           |
| Operator Name                | Strategic Oil & Gas | Sample Container Type       | Glass Bottle       |
| Unique Well Identifier       | H-03                | Sampling Point              | E3                 |
| Well Name                    | not provided        | Test Intervals or Perfs mKB | N/A                |
| Field or Area                | not provided        | Date Received               | September 17, 2019 |
| Pool or Zone                 | not provided        | Date Reported               | October 9, 2019    |
| Well License                 | not provided        | Entered By                  | Xiaolong Wang      |
| H2S Level (Observed at Site) | not provided        | Reviewed By                 | Brad Johnston      |

**Sample Handling Conditions**

|                  | Source/Sampled | Received |
|------------------|----------------|----------|
| Pressure (kPa)   | N/A            | -58/24   |
| Temperature (°C) | N/A            | 20       |

Other Information:

**Laboratory Analysis**

| Component           | HRGC Analysis<br>As Received<br>Mol Frac. | Air Free<br>As received<br>Mol Frac. | Air Free / Acid Free<br>As Received<br>Mol Frac. | Carbon Isotope<br>Analysis<br>‰ VPDB | Hydrogen Isotope<br>Analysis<br>‰ VSMOW | HRGC Analysis<br>As Received<br>ppm v/v |
|---------------------|---|--------------------------------------|--|--------------------------------------|---|---|
| Neon                | 0.000014                                  | 0.001246                             | 0.001246   |                                      |   | 14.08                                   |
| Hydrogen            | 0.000006                                  | 0.000494                             | 0.000494   |                                      |   | 5.58                                    |
| Helium              | 0.000003                                  | 0.000235                             | 0.000235   |                                      |   | 2.66                                    |
| Nitrogen            | 0.772574                                  | 0.000000                             | 0.000000   |                                      |   | 772574                                  |
| Oxygen              | 0.216123                                  | 0.000001                             | 0.000001   |                                      |   | 216123                                  |
| Carbon Dioxide      | 0.009963                                  | 0.881480                             | 0.881480   | -13.38                               |   | 9963                                    |
| Carbonyl Sulphide   | nm  | nm                                   | nm   |                                      |   | nm                                      |
| Hydrogen Sulphide   | nm  | nm                                   | nm   |                                      |   | nm                                      |
| Methyl Mercaptan    | nm  | nm                                   | nm   |                                      |   | nm                                      |
| Ethyl Mercaptan     | nm  | nm                                   | nm   |                                      |   | nm                                      |
| Thiophene           | nm  | nm                                   | nm   |                                      |   | nm                                      |
| Dimethyl Disulphide | nm  | nm                                   | nm   |                                      |   | nm                                      |
| Methane             | 0.001331                                  | 0.117783                             | 0.117783   | -45.61                               |   | 1331                                    |
| Ethane              | 0.000000                                  | 0.000000                             | 0.000000   |                                      |   | <0.01                                   |
| Ethene              | 0.000000                                  | 0.000000                             | 0.000000   |                                      |   | <0.01                                   |
| Propane             | 0.000000                                  | 0.000000                             | 0.000000   |                                      |   | <0.01                                   |
| Propene             | 0.000000                                  | 0.000000                             | 0.000000   |                                      |   | <0.01                                   |
| iso-Butane          | 0.000000                                  | 0.000000                             | 0.000000   |                                      |   | <0.01                                   |
| n-Butane            | 0.000000                                  | 0.000000                             | 0.000000   |                                      |   | <0.01                                   |
| iso-Pentane         | 0.000000                                  | 0.000000                             | 0.000000   |                                      |   | <0.01                                   |
| n-Pentane           | 0.000000                                  | 0.000000                             | 0.000000   |                                      |   | <0.01                                   |
| C <sub>6</sub> +    | 0.000000                                  | 0.000008                             | 0.000008   |                                      |   | 0.09                                    |
| TOTAL               | 1.000000                                  | 1.000000                             | 1.000000   |                                      |   | 1000000                                 |

**Properties**


| Compositional Indices                |       | Real Gross Heating Value (mj/m3)<br>@15°C and 101.35 kPa |                               | Relative Density         |                           |
|--------------------------------------|-------|--|-------------------------------|--------------------------|---------------------------|
| Vol % Hydrocarbons                   | 0.13  |  |                               | Calc. Mol.<br>Mass Ratio | Calc. Relative<br>Density |
| Vol % CH <sub>4</sub>                | 100.0 | Air Free<br>as received                                  | Moisture and<br>Acid Gas Free | 1.0019                   | 1.0020                    |
| Vol % C <sub>2</sub> +               | 0.00  | 0.05   | 4.47                          |                          |                           |
| CH <sub>4</sub> / ∑ C <sub>2</sub> + | N/A   |  |                               |                          |                           |
| C <sub>2</sub> / ∑ C <sub>3</sub> +  | N/A   |  |                               |                          |                           |
| C <sub>3</sub> /∑ n-C <sub>4</sub> + | N/A   |  |                               |                          |                           |
|                                      |       |  |                               |                          |                           |
| Pseudo Critical Properties           |       |  |                               |                          |                           |
|                                      |       | As Received  | Acid Gas Free                 |                          |                           |
| pPc (kPa)                            |       | 3789   | 7050                          |                          |                           |
| pTc (°K)                             |       | 134  | 291                           |                          |                           |

**Geological Origin of Natural Gas**

| Geological Formation | Depth Range<br>(MD from KB of Well) | Probable Depth<br>(MD from KB of Well) |
|----------------------|-------------------------------------|--|
|                      |                                     |  |

**Comments**
**Forensic Solutions for Oilfield Challenges**

GCHEM Ltd. Bay #1, 4810-62 Avenue Lloydminster, AB T9V 2E9 Tel: (780) 871-4668 Fax: (780) 808-8883 e-mail: [info@gchem.ca](mailto:info@gchem.ca) [www.gchem.ca](http://www.gchem.ca)  
GPA 2145-09. Revision 1.3, August 1, 2016

|  <b>GCHEM LTD.</b>   |   | <b>HIGH RESOLUTION GAS ANALYSIS</b><br><b>CARBON ISOTOPE ANALYSIS</b><br><b>HYDROGEN ISOTOPE ANALYSIS</b>  |  |                                       |   |   |               |             |               |           |      |      |          |     |     |
|---|---|--|--|---------------------------------------|---|---|---------------|-------------|---------------|-----------|------|------|----------|-----|-----|
| Sampling Company  | GCHEM Ltd.                                | Lab Sample No.   | 19131-02   |                                       |   |   |               |             |               |           |      |      |          |     |     |
| Date Tested   | September 11, 2019                        | Test Type  | Soil gas   |                                       |   |   |               |             |               |           |      |      |          |     |     |
| Operator Name   | Strategic Oil & Gas                       | Sample Container Type  | Glass Bottle                                     |                                       |   |   |               |             |               |           |      |      |          |     |     |
| Unique Well Identifier  | H-03                                      | Sampling Point   | BKG W  |                                       |   |   |               |             |               |           |      |      |          |     |     |
| Well Name   | not provided                              | Test Intervals or Perfs mKB  | N/A  |                                       |   |   |               |             |               |           |      |      |          |     |     |
| Field or Area   | not provided                              | Date Received  | September 17, 2019                               |                                       |   |   |               |             |               |           |      |      |          |     |     |
| Pool or Zone  | not provided                              | Date Reported  | October 9, 2019                                  |                                       |   |   |               |             |               |           |      |      |          |     |     |
| Well License  | not provided                              | Entered By   | Xiaolong Wang                                    |                                       |   |   |               |             |               |           |      |      |          |     |     |
| H2S Level (Observed at Site)  | not provided                              | Reviewed By  | Brad Johnston                                    |                                       |   |   |               |             |               |           |      |      |          |     |     |
| <b>Sample Handling Conditions</b>   |   |  |  |                                       |   |   |               |             |               |           |      |      |          |     |     |
|   | Source/Sampled                            | Received   |  |                                       |   |   |               |             |               |           |      |      |          |     |     |
| Pressure (kPa)  | N/A                                       | 57   |  |                                       |   |   |               |             |               |           |      |      |          |     |     |
| Temperature (°C)  | N/A                                       | 20   |  |                                       |   |   |               |             |               |           |      |      |          |     |     |
| Other Information:  |   |  |  |                                       |   |   |               |             |               |           |      |      |          |     |     |
| <b>Laboratory Analysis</b>  |   |  |  |                                       |   |   |               |             |               |           |      |      |          |     |     |
| Component   | HRGC Analysis<br>As Received<br>Mol Frac. | Air Free<br>As received<br>Mol Frac.   | Air Free / Acid Free<br>As Received<br>Mol Frac. | Carbon Isotope<br>Analysis<br>‰ VPDB  | Hydrogen Isotope<br>Analysis<br>‰ VSMOW | HRGC Analysis<br>As Received<br>ppm v/v |               |             |               |           |      |      |          |     |     |
| Neon  | 0.000013                                  | 0.006819   | 0.006819   |                                       |   | 13.16                                   |               |             |               |           |      |      |          |     |     |
| Hydrogen  | 0.000004                                  | 0.002154   | 0.002154   |                                       |   | 4.16                                    |               |             |               |           |      |      |          |     |     |
| Helium  | 0.000002                                  | 0.001234   | 0.001234   |                                       |   | 2.38                                    |               |             |               |           |      |      |          |     |     |
| Nitrogen  | 0.777865                                  | 0.000000   | 0.000000   |                                       |   | 777865                                  |               |             |               |           |      |      |          |     |     |
| Oxygen  | 0.220204                                  | 0.000006   | 0.000006   |                                       |   | 220204                                  |               |             |               |           |      |      |          |     |     |
| Carbon Dioxide  | 0.001922                                  | 0.995549   | 0.995549   | -16.99                                |   | 1922                                    |               |             |               |           |      |      |          |     |     |
| Carbonyl Sulphide   | nm  | nm   | nm   |                                       |   | nm                                      |               |             |               |           |      |      |          |     |     |
| Hydrogen Sulphide   | nm  | nm   | nm   |                                       |   | nm                                      |               |             |               |           |      |      |          |     |     |
| Methyl Mercaptan  | nm  | nm   | nm   |                                       |   | nm                                      |               |             |               |           |      |      |          |     |     |
| Ethyl Mercaptan   | nm  | nm   | nm   |                                       |   | nm                                      |               |             |               |           |      |      |          |     |     |
| Thiophene   | nm  | nm   | nm   |                                       |   | nm                                      |               |             |               |           |      |      |          |     |     |
| Dimethyl Disulphide   | nm  | nm   | nm   |                                       |   | nm                                      |               |             |               |           |      |      |          |     |     |
| Methane   | 0.000002                                  | 0.001004   | 0.001004   |                                       |   | 1.94                                    |               |             |               |           |      |      |          |     |     |
| Ethane  | 0.000000                                  | 0.000000   | 0.000000   |                                       |   | <0.01                                   |               |             |               |           |      |      |          |     |     |
| Ethene  | 0.000000                                  | 0.000000   | 0.000000   |                                       |   | <0.01                                   |               |             |               |           |      |      |          |     |     |
| Propane   | 0.000000                                  | 0.000000   | 0.000000   |                                       |   | <0.01                                   |               |             |               |           |      |      |          |     |     |
| Propene   | 0.000000                                  | 0.000000   | 0.000000   |                                       |   | <0.01                                   |               |             |               |           |      |      |          |     |     |
| iso-Butane  | 0.000000                                  | 0.000000   | 0.000000   |                                       |   | <0.01                                   |               |             |               |           |      |      |          |     |     |
| n-Butane  | 0.000000                                  | 0.000000   | 0.000000   |                                       |   | <0.01                                   |               |             |               |           |      |      |          |     |     |
| iso-Pentane   | 0.000000                                  | 0.000000   | 0.000000   |                                       |   | <0.01                                   |               |             |               |           |      |      |          |     |     |
| n-Pentane   | 0.000000                                  | 0.000000   | 0.000000   |                                       |   | <0.01                                   |               |             |               |           |      |      |          |     |     |
| C <sub>6</sub> +  | 0.000000                                  | 0.000052   | 0.000052   |                                       |   | 0.10                                    |               |             |               |           |      |      |          |     |     |
| TOTAL   | 1.000000                                  | 1.000000   | 1.000000   |                                       |   | 1000000                                 |               |             |               |           |      |      |          |     |     |
| <b>Properties</b>   |   |  |  |                                       |   |   |               |             |               |           |      |      |          |     |     |
| Compositional Indices   |   | Real Gross Heating Value (mj/m3)<br>@15°C and 101.35 kPa   |  | Relative Density                      |   |   |               |             |               |           |      |      |          |     |     |
| Vol % Hydrocarbons  | 0.00                                      | Air Free<br>as received<br>0.00  |  | Moisture and<br>Acid Gas Free<br>0.07 |   | Calc. Mol.<br>Mass Ratio<br>0.9986      |               |             |               |           |      |      |          |     |     |
| Vol % CH <sub>4</sub>   | 100.0                                     |  |  |                                       |   | Calc. Relative<br>Density<br>0.9986     |               |             |               |           |      |      |          |     |     |
| Vol % C <sub>2</sub> +  | 0.00                                      | <div style="text-align: center; background-color: yellow; border: 1px solid black; padding: 5px;"> <b>Pseudo Critical Properties</b> </div> <table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th>As Received</th> <th>Acid Gas Free</th> </tr> </thead> <tbody> <tr> <td>pPc (kPa)</td> <td>3762</td> <td>7356</td> </tr> <tr> <td>pTc (°K)</td> <td>133</td> <td>303</td> </tr> </tbody> </table> |  |                                       |   |   |               | As Received | Acid Gas Free | pPc (kPa) | 3762 | 7356 | pTc (°K) | 133 | 303 |
|   | As Received                               |  |  |                                       |   |   | Acid Gas Free |             |               |           |      |      |          |     |     |
| pPc (kPa)   | 3762                                      |  |  |                                       |   |   | 7356          |             |               |           |      |      |          |     |     |
| pTc (°K)  | 133                                       | 303  |  |                                       |   |   |               |             |               |           |      |      |          |     |     |
| CH <sub>4</sub> / ΣC <sub>2</sub> +   | N/A                                       |  |  |                                       |   |   |               |             |               |           |      |      |          |     |     |
| C <sub>2</sub> / ΣC <sub>3</sub> +  | N/A                                       |  |  |                                       |   |   |               |             |               |           |      |      |          |     |     |
| C <sub>3</sub> / Σn-C <sub>4</sub> +  | N/A                                       |  |  |                                       |   |   |               |             |               |           |      |      |          |     |     |
| <b>Geological Origin of Natural Gas</b>   |   |  |  |                                       |   |   |               |             |               |           |      |      |          |     |     |
| Geological Formation  | Depth Range<br>(MD from KB of Well)       |  | Probable Depth<br>(MD from KB of Well)           |                                       |   |   |               |             |               |           |      |      |          |     |     |
|   |   |  |  |                                       |   |   |               |             |               |           |      |      |          |     |     |
| <b>Comments</b>   |   |  |  |                                       |   |   |               |             |               |           |      |      |          |     |     |
|   |   |  |  |                                       |   |   |               |             |               |           |      |      |          |     |     |
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