

CRCGO

NWT OFFICE OF THE REGULATOR OF OIL AND GAS OPERATIONS

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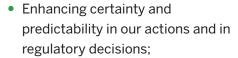
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## MESSAGE FROM THE REGULATOR

I am pleased to present this Annual Report on the activities of the Office of the Regulator of Oil and Gas Operations (OROGO) in 2023-2024.

April 1, 2024, was OROGO's tenth anniversary. Over the years we have grown as an organization, developing our expertise and contributing to the integrated resource co-management framework in the Mackenzie Valley. We continue to focus on the strategic objectives we put in place in 2016:





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

- Promoting accessibility and transparency in our work;
- Building and maintaining resilient working relationships; and
- Growing oil and gas regulatory capacity in the Northwest Territories.

In the past ten years we have seen many successes:

- Exceeding our targets for processing applications and responding to inquiries from the public within our published service timelines;
- Consistently inspecting active operations, oil and gas facilities, and suspended wells;
- Establishing an on-line public registry in cooperation with the Land and Water Boards of the Mackenzie Valley;
- Clarifying our processes and expectations for operators through publicly available Guidelines, policies, and bulletins;
- Digitizing and making publicly available hundreds of well history and geotechnical program files; and
- Participating in community meetings, workshops, conferences, and other events across the NWT and in Canada.



Perhaps our greatest success, however, has been ensuring the permanent plugging, cutting, and capping of long-term suspended wells. Since 2017, the number of suspended wells in our jurisdiction has been reduced by 85%. This Annual Report includes a pair of maps illustrating this achievement.

None of this would have been possible without the OROGO team. I am thankful to work with a group of professionals who act on our objectives of growing capacity and building and maintaining resilient relationships every day.

We have also benefited greatly from the support we receive through our service agreements with the Alberta Energy Regulator and the Canada Energy Regulator, as well as technical expertise from the Northwest Territories Geological Survey.

2024 is also my fifth anniversary as Executive Director and my tenth anniversary with OROGO. It has been a tremendous experience and I look forward to working with all of you for many years to come to keep people safe and protect the environment where we live and work.

## THE REGULATOR

#### **MANDATE**

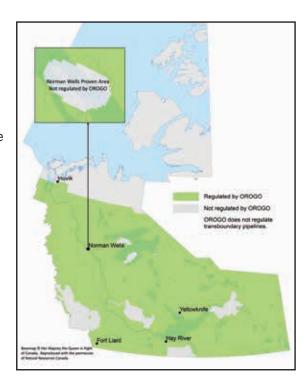
The Regulator is designated by the Commissioner in Executive Council under the *Oil and Gas Operations Act* (OGOA).

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

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

#### **JURISDICTION**

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



Regulator has jurisdiction over oil and gas activities on Aboriginal settlement lands as well as other private lands. The Regulator does not have jurisdiction over transboundary pipelines.



#### **RESPONSIBILITIES**

The Regulator is responsible for:

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

#### **DELEGATIONS AND APPOINTMENTS**

#### **Delegations**

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

In 2023-2024, the Regulator delegated the authority to approve changes to or deviations from the work or activities authorized under a Well Approval to Mike Martin, Chief Safety Officer and Chief Conservation Officer, from August 13 to September 4, 2023.

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

No delegations were made under the PRA in 2023-2024.

#### **Appointments**

Pauline de Jong was designated as the Regulator on August 2, 2020.

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

Mike Martin, Senior Technical Advisor, was appointed Chief Safety Officer effective June 26, 2020, and Chief Conservation Officer effective November 14, 2022.

Brandon Bradbury, Technical Specialist, was appointed Safety Officer and Conservation Officer effective December 20, 2022.

# THE OFFICE OF THE REGULATOR OF OIL AND GAS OPERATIONS

#### **ROLE**

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

#### STRATEGIC PLAN

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

## Mission

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



# **Strategic Objectives**

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



To promote accessibility and transparency in our work.



To build and maintain resilient working relationships.



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

# Vision

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

#### **STAFF**

OROGO's staff complement consists of four positions: the Executive Director, the Senior Technical Advisor, the Technical Specialist, and the Regulatory Information Officer. There were no changes to the OROGO team in 2023-2024.

OROGO receives technical advice and support from the Canada Energy Regulator and the Alberta Energy Regulator through service agreements. OROGO can also access support from other regulators or consultants.

#### **LOCATION**

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



The OROGO Team: Mike Martin (Chief Safety Officer and Chief Conservation Officer), Pauline de Jong (Executive Director), Ekaterina Nagui (Regulatory Information Officer), and Brandon Bradbury (Safety Officer and Conservation Officer).

#### INUINNAQTUN

Uqhuryuaplu Gaasiliiplu Aulapkiayiit Munaqhiiyiita Havakviat (OROGO) hapkunanik munaqhivaktuq uqhuryuaplu gaasiliiplu hulilukaarutait aulatdjutainniklu ihuangnikkut aanningniattukkut nunaplu immaplu itdjuhiit ihumagittiaqhugit, uqhuryuaqarvigigamikkik gaasiiliiqarvigiigamikiklu munarittiaqhugit atunqniit pivaktut.

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# **2023-2024 ACTIVITIES**

#### **APPLICATIONS**

In 2023-2024, OROGO received:

- 1 application for an Operations Authorization;
- 55 applications to vary an existing Operations Authorization or Well Approval;
- 4 core sample requests; and
- All annual reporting requirements for continued compliance, including production reports, environmental reports, and safety reports.

2023-2024 saw steady progress toward completing the remaining well abandonments required by the *Well Suspension and Abandonment Guidelines and Interpretation Notes* (the Guidelines), which came into effect on February 1, 2017. The Guidelines establish requirements for suspended and abandoned wells under OROGO's jurisdiction and deadlines for the safe abandonment of inactive wells. Well abandonments were completed in both summer 2023 and winter 2024.

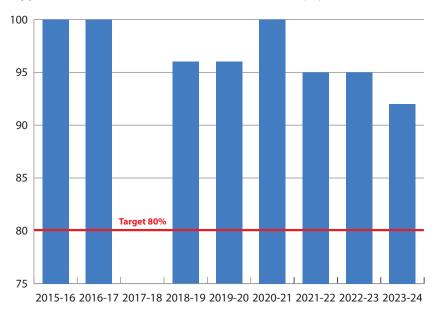
#### 2023-2024 Applications Received

Type of Application	Application #	Purpose	Region
Operations Authorization	OA-2023-001-MGM	Well Abandonment	Sahtu

OROGO processed 95% of the operations authorizations and well approvals issued in 2023-2024 within its established service standards, well above its target of 80%.

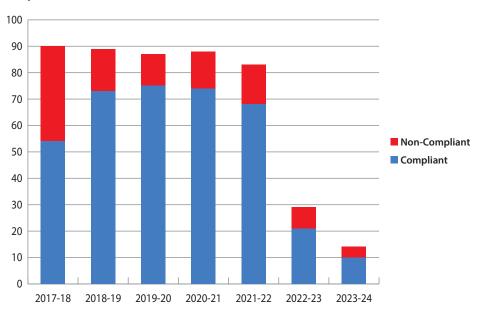


#### Applications Processed Within Service Standard (%)

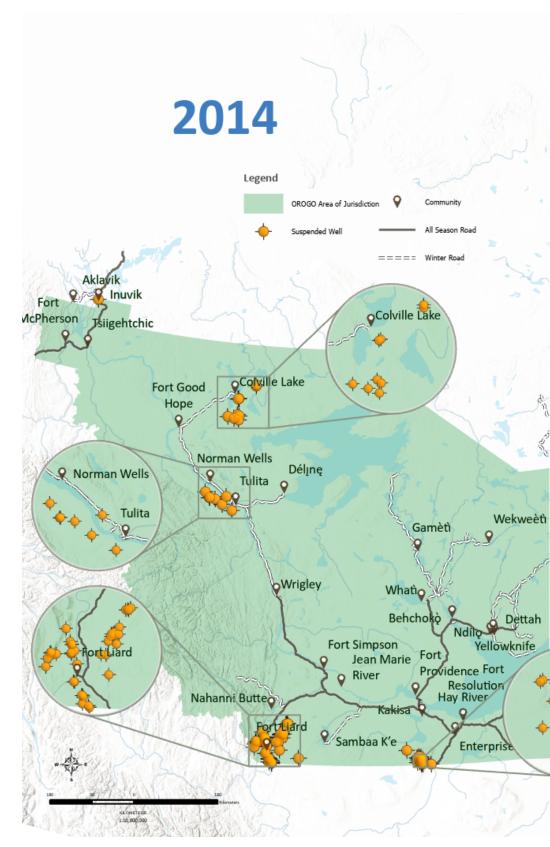


Since 2015-2016, OROGO has processed more than 80% of all applications for Operations Authorizations and Well Approvals within its established service standards. No applications were processed in 2017-2018.

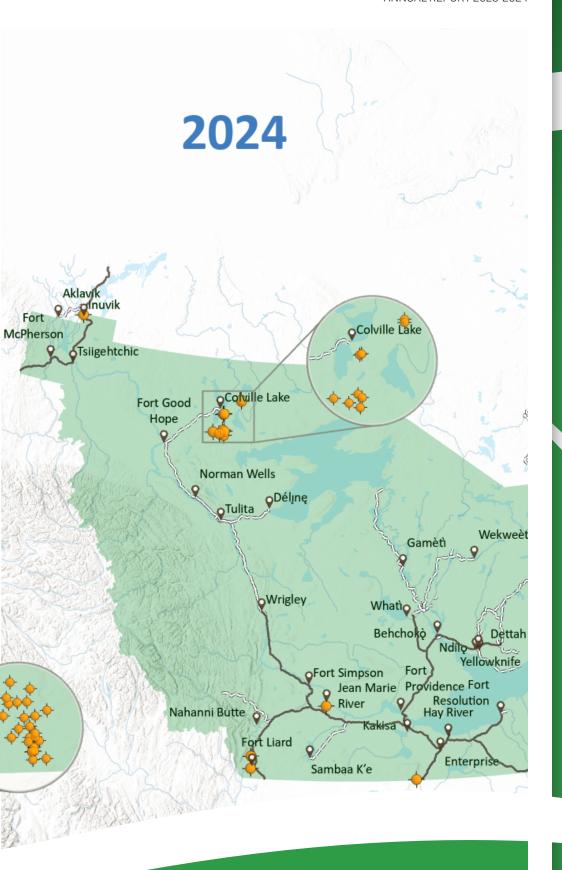
#### **Suspended Well Status**



In 2023-2024, 12 compliant suspended wells and 3 non-compliant suspended wells were abandoned.



Since 2014, OROGO has made significant progress in ensuring the permanent plugging, cutting, and capping of suspended wells in its jurisdiction.

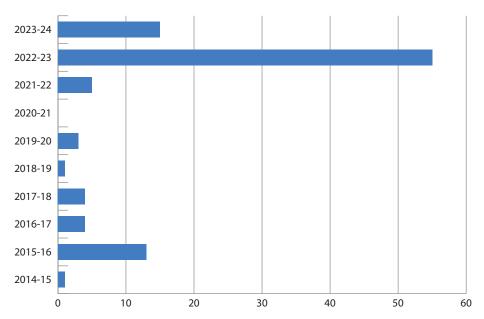


# FRANÇAIS

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

Pour en savoir plus, consultez le www.orogo.gov.nt.ca.

#### **Inactive Wells Safely Abandoned**



Oil and gas wells safely abandoned under OROGO jurisdiction since April 1, 2014.

#### **INSPECTIONS**

OROGO's inspection activities in 2023-2024 fell into two categories:

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

In 2023-2024, OROGO staff conducted the following inspections of active well operations:

- 2 inspections of well abandonments near Fort Liard in July 2023;
- 2 inspections of well abandonments near Fort Liard in August 2023;
- 1 inspection of the Cameron M-31 well abandonment in February 2024;
- 1 inspection of cutting and capping activity at the Cameron Hills field in February 2024;
- 1 inspection of the East MacKay I-78 well abandonment in February 2024: and
- 1 inspection of the Ikhil facility in Inuvik in March 2024.

Some inspections planned for 2023-2024 were cancelled due to wildfires.

The *Oil and Gas Drilling and Production Regulations* require operators to regularly monitor and inspect their suspended wells to ensure they are in good condition and are not leaking. In 2023-2024, OROGO received 13 inspection reports, including gas migration testing reports, from the operators responsible for ongoing monitoring of suspended wells. OROGO staff reviewed all these reports and followed up with operators to address any potential issues. The status of 4 wells changed from suspended to abandoned based on the results of company inspections.



#### **ORDERS**

The Regulator did not issue any orders in 2023-2024.

#### **INCIDENT RESPONSE**

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

In February 2024, the Chief Safety Officer and Chief Conservation Officer confirmed to all operators that gas migration and surface casing vent flows are considered incidents under the *Oil and Gas Drilling and Production Regulations* and must be reported to OROGO and to the NWT-Nunavut Spill Line.

Activities in 2023-2024 resulted in a total of 3 incidents (all gas migration or surface casing vent flows) and 2 near-misses reported to OROGO. The reports required under the *Oil and Gas Drilling and Production Regulations* were received and reviewed by OROGO.

#### 2023-2024 Incidents and Near-Misses

Incident #	Nature of the Incident
INC-2024-001-SOG-OA-2018-003	Environmental/Safety
INC-2024-002-CNRL-OA-2018-005	Environmental/Safety
INC-2024-003-PPR-OA-2021-001	Environmental/Safety
NM-2023-001-IKHIL-OA-2520-2620	Safety
NM-2023-002-PPR-OA-2021-001	Safety

#### OTHER INITIATIVES

#### **Promoting Open and Transparent Regulation**

OROGO continues to promote an open and transparent oil and gas regulatory system in its jurisdiction.

In 2023-2024, OROGO presented on its:

- Enforcement and compliance activities at an Environmental Assessment Measures Implementation and Effectiveness Practitioners Workshop in June 2023;
- Mandate and activities in a question-and-answer forum in November 2023:
- Activities and future plans at the Yellowknife Geoscience Forum in November 2023;
- Mandate and activities at a meeting of the staff of the Land and Water Boards of the Mackenzie Valley in December 2023; and
- Role in and progress toward the reclamation of oil and gas sites in the Mackenzie Valley in March 2024.



Brandon Bradbury (Technical Specialist, OROGO), Jamie Steele (Manager Diamond Resource Management, ECC-GNWT), Mike Martin (Senior Technical Advisor, OROGO), and Scott Stewart (Regional Superintendent, Land and Water, ECC-GNWT) at the Environmental Assessment Measures Implementation and Effectiveness Practitioners Workshop in Yellowknife, June 2023. (OROGO)



In 2023-2024, OROGO facilitated pre-operations planning meetings and weekly operations update meetings with operators, staff of the Mackenzie Valley Land and Water Board, staff of the Workers Safety and Compensation Commission, and inspectors from the Department of Environment and Climate Change.

OROGO continues to participate in FracFocus.ca. FracFocus.ca provides the public with information about the composition of the hydraulic fracturing fluid used by oil and gas companies, along with other information on hydraulic fracturing, groundwater and surface water protection, and related oil and gas activities in Canada.

#### **Making Information Available**

OROGO is a repository for information collected during oil and gas activities. Information about oil and gas activities in the Regulator's jurisdiction is available on <a href="https://orogo.org/o

From April 1 to December 30, 2023, OROGO distributed 103 well history files and 34 seismic program files.

# Regional Breakdown of Files Provided by OROGO in Response to Information Inquiries (April 1 to December 30, 2023)

Region	Seismic Files*	Well Files	Total
Dehcho	-	68	68
Sahtú	-	32	32
Gwich'in	-	3	3
Unspecified	34	-	34
Total	34	103	137

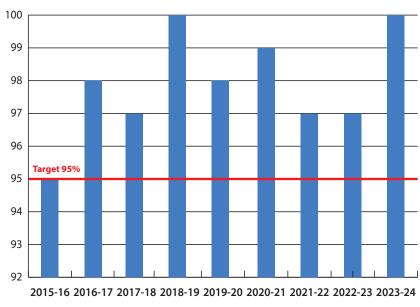
<sup>\*</sup> As seismic programs can be large and often cross regional boundaries, not land claim boundaries, they are not identified by their region.

In December 2023, due to changes in application support, OROGO moved its public well history files and seismic files from the TempoBox application to MSTeams and a Sharepoint site. As a result of the transfer, OROGO is no longer able to track the number of files downloaded or their regional breakdown.

Access to well materials (cuttings, fluid samples, and core samples) is also available by applying to the Information Office. Four requests to sample these materials were received in the 2023-2024 fiscal year. These materials are located at the Geological Survey of Canada core facility in Calgary, Alberta.

In keeping with its objective of accessibility, OROGO places a high priority on responsiveness to public inquiries. In 2023-2024, OROGO responded to 44 public inquiries, all within one business day, well within its service standards.

#### Response to Public Inquiries Within Service Standards (%)



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



#### **Guidelines and Interpretation Notes**

Section 18 of OGOA authorizes the Regulator to issue guidelines and interpretation notes about the application and administration of OGOA and its regulations.

In 2023-2024, OROGO began drafting *Service Rig Operation Safety Guidelines and Interpretation Notes*. OROGO plans to make these guidelines available for public engagement and consultation in summer 2024.



Wellhead and casing removed during the abandonment process, Cameron Hills, February 2024. (OROGO)

#### **Relationships with Other Regulators**

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

OROGO participates actively in the NWT Board Forum, which brings together resource management organizations in the territory and strives to improve and maintain effective lines of communication between its members and to resolve common issues and share expertise. In 2023-2024, OROGO was engaged in the process of updating the NWT Board Forum Research Priorities.

Since 2021, OROGO has chaired the NWT-Nunavut Spills Working Group, which provides for a consistent approach to regulating spill response operations throughout the Northwest Territories and Nunavut by clearly articulating which agency will act as the Lead Agency in the event of a spill and providing a mechanism for interagency cooperation.

OROGO is a member of the Western Regulators Forum (WRF), which focuses on facilitating the exchange of information and discussion of ideas about energy regulation, collaborating on research into issues of common interest, and supporting inter-organizational communications and engagement. The WRF includes representation from Saskatchewan, Alberta, and British Columbia, as well as the Canada Energy Regulator. In 2023-2024, OROGO participated in a WRF community of practice on the use of drones in energy regulation. OROGO also participated as an observer in a WRF project on strategic use of standards.

OROGO continues to be an International Affiliate member of the Interstate Oil and Gas Compact Commission (IOGCC), which allows it to participate on committees, join in oil and gas studies, and access international best practices. Seven other Canadian provinces and territories are IOGCC International Affiliates.



#### **Outreach and Engagement**

OROGO participated in several community outreach and stakeholder engagement activities in 2023-2024, including:

- The CAMPUT 2023 Conference in May 2023;
- The Geoscience Forum in November 2023:
- The annual meeting of GNWT departments involved with petroleum related initiatives in February 2024;
- The GNWT's Resource and Energy Development Information (REDI)
  N'Dilo event in March 2024; and
- The Arctic Energy and Resources Symposium in March 2024.

OROGO continues to work with communities through the Well Watch Program, which encourages local land users to report concerns with historic, abandoned well sites so that they can be assessed and any identified risks can be addressed. OROGO did not receive any inquiries about potential well sites of interest in 2023-2024.



Gate station, Ikhil Gas Project, Inuvik, March 2024. (OROGO)

#### **Capacity Building**

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

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

- The Energy Safety Canada (ESC) Petroleum Safety Conference;
- ESC H2S Alive certification;
- ESC Well Service Blowout Prevention course;
- Workplace Hazardous Materials Information System training;
- Incident Command System 100 training; and
- An International Association of Hydrogeologists Canadian National Chapter webinar titled "Groundwater Vulnerability in the NWT and the Yukon".











# CROGO

NWT OFFICE OF THE REGULATOR OF OIL AND GAS OPERATIONS

#### **Contact Information**

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**OROGO Information Office** 

Phone: **867-767-9097**Email: orogo@gov.nt.ca

**Incident Response** 

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

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

**OROGO Incident Response Line (24/7):** 

1-867-445-8551