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Informational Notice 21-04

December 14, 2021

WELL SUSPENSION GUIDELINES

(This Informational Notice supersedes Informational Notice No. 94-5)

Section 53 of the Drilling and Production Regulation ('Regulation') requires a licensee to make application to suspend a well when the well has been shut-in for six consecutive months. A licensee may however apply at any time prior to the well being shut-in for six months for suspension approval. Application for well suspension must be made on 'Application for Approval of Well Operations' form found at:

https://www.gov.mb.ca/iem/petroleum/forms/wellop.xlsm

The objectives of the guidelines are:

- (a) to ensure the wellbore integrity of shut-in wells:
- (b) to minimize environmental and safety risks associated with shut-in wells; and
- (c) to ensure licensees make decisions regarding shut-in wells in a timely manner.

The well suspension guidelines are based on the age of the well and the period the well has been shut-in. The guidelines are the minimum operational requirements needed to obtain a suspension approval. Under Section 53, the Director may approve the suspension of a well subject to any terms and conditions considered necessary or advisable. In certain situations, such as wells with casing leaks and flowing wells, the Branch may have additional requirements.

WELL SUSPENSION GUIDELINES

(1) Wells shut-in for less than 3 years

The wellbore is to be circulated or displaced to an inhibited fluid in accordance with (4). A maximum 3-year suspension approval may be granted from the date the well was shut-in.

(2) Wells shut-in for more than 3 years - Downhole Segregation

The wellbore is to be circulated or displaced to an inhibited fluid in accordance with (4). The wellbore is to be segregated from the completed interval using a mechanical plug or cement plug. The Branch recommends the plug be set in accordance with the bottomhole abandonment requirements of Clauses 56(1)(a) or (b) of the Regulation. In areas where Lower Amaranth is not present, the Branch recommends the plug to be set within 5 meters from the topmost perforations or open hole. The production casing above the plug is to be pressure tested to 3500 kPa. A maximum 3-year suspension approval may be granted from the date the casing is successfully pressure tested. If the pressure test indicates a hole in the casing,the Director may require that the casing be repaired or the well abandoned.

(3) Wells shut-in for more than 3 years - Suspension Options

Where a licensee is reluctant to segregate the wellbore as outlined in (2) and provides the Branch with plans to production test, recomplete, convert, abandon or sell the well in the near future, the Branch is prepared to consider;

- (a) if the well is less than 5 years old, granting a maximum 3 year suspension approval or extension of the current approval, if the well is inhibited or re-inhibited, as the case may be, in accordance with (4);
 - (b) if the well is more than 5 years old,
- (i) granting a maximum 1 year suspension approval, if the well is inhibited, or
- (ii) extending the current approval for one year, or
- (iii) granting a maximum 3 year suspension approval, if the well is inhibited or reinhibited as the case may be, and the casing pressure tested to 3500 kPa.

Note: The age of a well is determined from the finished drilling date.

(4) Inhibition requirements

The preferred method of inhibition is to circulate the wellbore over to a non-corrosive inhibited fluid with tubing in the well. Where tubing has been pulled from the well, inhibition may be accomplished by displacing the entire wellbore from surface to a non-corrosive inhibited fluid at a minimum pumping rate of 0.08 m3/min (0.5 bpm).

(5) Application to suspend a well

In an application to suspend a well the licensee shall include a program of operations inaccordance with the guidelines set out in this notice. The Branch will approve the application subject to any terms and conditions the Director considers necessary or advisable including a deadline for completing the suspension operations.

(6) Suspension of a flowline

In addition to properly suspending a well, Section 98 of the Regulation requires flowlinesnot being used to be suspended by

- (a) filling the flowline or segment of the line with air, fresh water or nitrogen;
- (b) isolating the flowline or segment of the line from all pressure sources; and
- (c) conducting any additional measures required by an inspector to leave the flowline in a safe condition.

(7) Reactivation of a shut-in or suspended well

Where the licensee intends to reactivate a well which has been shut-in for more than 6 months or at any time during the term of a suspension approval, the licensee is to notify the District Office.

(8) Failure to suspend a well

Where a licensee fails to take appropriate action to suspend a well in accordance with the Regulation and this notice, the Director may issue a notice under Section 123 of The Oil and Gas Act requiring the well be abandoned unless the licensee can demonstrate to the satisfaction of the Director that there are reasons for not abandoning the well.

(9) Rush suspension work

The well may be granted with suspended status if compliance with The Regulation and applicable procedures mentioned above are adhered to. Whenever witnessing is required, our inspectors shall be notified accordingly.

To obtain the official suspended status, the application shall be submitted not later than 30 days after the suspension work is completed.

Any questions on the well suspension guidelines should be emailed to petroleum@gov.mb.ca. For more information on flowline suspensions, please contact the District Office at (204) 748-4260.