

## Expression of Interest

### Supply of Tubular Running Services for IESP Tuk M-18

The Inuvialuit Energy Security Project Ltd (IESPL), a 100% subsidiary of the Inuvialuit Petroleum Corp. (IPC) which is in turn a subsidiary of the Inuvialuit Regional Corporation (IRC) seeks expressions of interest from contractors to supply tubular running services as part of a project to put a well in the Inuvialuit Settlement Region (ISR) on production as per the details below.

Recognizing that this is a unique project, IESPL is inviting contractors to express interest in supplying tubular running services for this project.

This is only a request for expressions of interest – IESPL will engage with one or more interested contractors for qualification and contract negotiations.

Due to the unique location and limited operational window, and training requirements, IESPL will require a FIRM commitment of availability in the required timeframe from the selected contractor at the time of contract signing.

**Location:** IESP Tuk M-18 M-18 69-20-133-00  
WID 1933  
69° 17' 50.6" N 133° 04' 34.6" W NAD 27  
Approximately 16 km south of Tuktoyaktuk - 4 km west of Inuvik-Tuk Highway 10  
130km north of Inuvik

**Timing:** Mobilization (ex-Grande prairie) approximately March 1 2024  
Project start March 7, 2024  
Duration 1 week  
Timing is subject to regulatory approval

**Project Scope:** The Tuk M-18 well was drilled and tested in 2002. Although it is a prolific gas well, it has remained suspended due to lack of market access.  
With the advent of the Inuvik-Tuk highway, the situation has changed. The Inuvialuit Energy Security Project consists of reactivating the well and building a Compressed Natural Gas (CNG) and Gas to Liquids (GTL) facility to supply natural gas and synthetic diesel to the local communities.  
The well will produce significant condensate with 0% H<sub>2</sub>S and 2.4% CO<sub>2</sub>  
Total depth 2900m BHP 28.5 MPa

### **Program Outline (see diagrams attached)**

- 1) Install wellhead extension.  
(wellhead technician to supervise – contractor to assist as/if required).
- 2) Rig up service rig and install BOP.
- 3) Circulate out diesel with brine – brine supplied by IESPL.
- 4) Drill out upper suspension plug.
- 5) Circulate out additional diesel with brine – brine supplied by IESPL.
- 6) Pressure test casing & E-log to verify condition (by others).
- 7) Drill out lower suspension plug.
- 8) Run packer and tailpipe on E-line.
- 9) Run tubing (73mm 13Cr and 73/114mm VIT), SSSV and capillary lines.
- 10) Install wellhead & terminate capillary lines (with 3<sup>rd</sup> party technicians).
- 11) Swab and flow on cleanup (3<sup>rd</sup> party testing unit).
- 12) Shut down and secure well.
- 13) Rig down and demobilize equipment.

### **Assumptions**

- 1) Mobilization/demobilization
  - a) Due to road conditions (Dempster Highway in winter), IESPL would prefer that equipment is either transported by truck at IESPL expense or for semi-trailer mounted equipment hauled by IESPL contractor tractor units (negotiable).
  - b) Contractor will mobilize/demobilize crew by air (to Inuvik) at IESPL expense.
  - c) Contractor will rent pickup(s) locally at IESPL expense (if needed).
  - d) Contractor will supply consumables as needed (methanol, propane, etc.) at IESPL expense.
- 2) During operating and standby periods, IESPL will provide the following.
  - a) Accommodation at camp in Tuktoyaktuk.
  - b) Access to indoor warehouse for tubular cleaning & preparation
  - c) Wellsite supervisor.
  - d) Safety Supervisor.
  - e) Medic and MTC (ambulance) – days only – on call nights.

### **Regulatory Environment**

The Canada Energy Regulator (CER) will provide regulatory oversight and approval on behalf of the Office of Regulator of Oil and Gas Operations – NWT (OROGO).

Workers Safety and Compensation Commission (WSCC) of the NWT will have legislative authority over worker safety. Contractor will be required to have WSCC coverage and supervisor(s).

### **Scope of Supply by Contractor (to be negotiated)**

**(Illustration only – Contractor should recommend i based on their experience)**

#### **Material:**

2200m 73mm 9.51 kg/m L-80 13Cr VAM TOP Range 2

520m VIT 73mm 11.76 kg/m L-80 13Cr VAM TOP Inner with 114mm 17.2 kg/m L-80 Outer

1. Thread cleaning (Kendex) and tally/drift of tubulars  
Clean protectors for reinstallation (string to be transported 20km to wellsite)  
Inc. supply of cleaning materials and disposal of used material  
Work will be done in warehouse in Tuktoyaktuk
2. Supply and application of running dope – Best-o-Life BOL 72733  
Initial in warehouse – final on site
3. Supervision of running & torque monitoring of 73mm 13Cr tubing (+/- 2150m) and 73 X 114mm Vacuum Insulated Tubing – VAM TOP (+/- 450m)  
IESP may require a “dummy rig up” or partial rig up in Grande Prairie to ensure efficient rig-up on site  
Will you use service rig tongs or your own?
4. Supply of 114mm dog collar and slips/split bowl for 114mm (note 4 capillary strings on OD)
5. Supply of stabbing guide for 73mm VAM TOP  
(guide for VIT is not needed – it is supplied by vendor)
6. Possible thread gauging (TBD) – quote separately

Preference will be given to a contractor who can supply the complete set of required services.

### **Training and Certification Requirements**

All personnel – WHIMIS

All personnel to be familiar with IESPL safety and environmental protection policies.

### **Other Services Associated with this Project (contracted by IESPL) FYI**

- 1) Service Rig
- 2) Tank farm (brine & waste diesel from well)
- 3) Well Testing
- 4) Downhole tool techs (SSSV etc.)
- 5) E-line and/or slickline
- 6) Wellhead tech

### **IESPL's Request**

This is a unique program, requiring significant commitment from the selected contractors. IESPL recognizes that the nature of the program and geographic location may not be of interest to all potential contractors.

Therefore, IESPL's wishes for a proposal for technical and commercial evaluation. Further discussions are anticipated with the successful or shortlisted contractors.

Financial proposals should be considered non-binding at this stage. IESPL recognizes there will be some negotiation as the proposals are finalized but expects that final pricing will substantially reflect the contractor's initial proposal, allowing for any changes in scope.

IESPL asks interested parties to provide a non-binding indication of costs as follows:

- 1) Mobilization/demobilization charge for crew and personnel  
(IESP to arrange trucking and reimburse for airfare).
- 2) Operating rate – 24-hour operations.
- 3) Standby Rate – with crew.
- 4) Standby Rate – no crew.

(For estimating purposes, IESPL is assuming a mobilization point of Grande Prairie, Alberta. Contractor is requested to provide actual mobilization point).

This is a value-based evaluation. The lowest cost proposal is not necessarily accepted.

### **Commitment**

Due to the location of the project, limited operational window, IESPL will require a guarantee of commitment to the project. In return, IESPL is prepared to negotiate a "Break-Fee" in the event of cancellation close to the planned operation.

### **Experience**

Experiences/references for any remote/arctic projects would be desirable.

### **Questions/Clarifications**

Requests for clarifications should be addressed to [dickheenan@shaw.ca](mailto:dickheenan@shaw.ca) 403-818-4408