

January 18, 2022

2985-6200-32640-02

Kimberley Toews-Koch
Senior Engineering Technologist
TAQA North Ltd
PO Box 2350 STN M
Calgary, AB T1P 2M6

Dear Ms. Toews-Koch:

**RE: PRODUCED WATER DISPOSAL SPECIAL PROJECT APPROVAL, AMENDMENT #2
PRESSURE TESTING EXEMPTION
TAQA NORTH ET AL CHINCHAGA d-33-H/94-H-08; WA# 10834
CHINCHAGA RIVER FIELD – BELLOY FORMATION**

The Commission staff have reviewed TAQA North Ltd. (TAQA)'s request, dated January 12, 2022, for extension on reservoir pressure testing for the subject well. TAQA has indicated they will be unlikely to meet the initial deadline of December 31st, 2022, as permitting and approval delays have extended the abandonment program of the Chinchaga River area and postponed the expected date of abandonment of the subject well.

Approval for disposal of produced water, Order 98-02-002, was issued for the subject well, Belloy formation, on February 2, 1998, and the well began disposal operations in April 1998. Amendment #1 was issued on July 4, 2016, and Amendment #2 was issued June 17, 2019. Reservoir pressure tests were conducted in 2016 and 2018 and no reservoir pressure increase was observed, and the measured reservoir pressure was approximately 1.6 MPa below the maximum approved formation pressure. The Commission notes that water disposal volumes have been declining since 2016 and there has been no disposal into the subject well since February of 2020, with a cumulative volume of 655,127m³. Condition 2h) of Amendment #2 required that a reservoir pressure test be conducted in the well once every two years. TAQA informed the Commission in 2020 that an abandonment program had started for the Chinchaga River area and requested deferral of the required reservoir pressure test to 2022, when they expected to abandon the subject well. This deferral was granted on July 7th, 2020. Due to delays in permitting and approval, TAQA has postponed the expected date of abandonment of the subject well.

The reservoir pressure testing history, declining activity levels in TAQA wells in the Chinchaga River area and the proposed abandonment program support an extension on the required reservoir pressure test. The reservoir pressure test required by condition 2h) of Order 98-02-002 Amendment #2 for the produced water disposal well TAQA North et al Chinchaga d-33-H/94-H-8 (WA 10834) is hereby deferred to December 31st, 2023, or the abandonment of the well, whichever occurs first. A final reservoir pressure must be obtained prior to the abandonment of the well.

Should you have any questions, please contact Logan Gray at (250) 419-4465 or the undersigned at (250) 419-4430.

Sincerely,



Ron Stefik, P.L.Eng.
Supervisor, Reservoir Engineering
Oil and Gas Commission