

August 26, 2020

8120-2010-32640-02

Jaryn Flower, P. Eng
Sr. Production Engineer
ARC Resources Ltd
1200, 308 – 4th Avenue SW
Calgary, AB T2P 0H7

Dear Ms. Flower:

**RE: PRODUCED WATER DISPOSAL SPECIAL PROJECT CANCELLATION
ARCRES SUNRISE 13-36-78-18 (WA# 27024)
PADDY-CADOTTE FORMATION**

Approval for disposal of produced water, Order 15-02-008, was issued for the subject well, Paddy-Cadotte formation, on April 8, 2015. Disposal operations into the well began in July 2015 and, to date, 8,208 m³ has been disposed into the Paddy-Cadotte formation. In October 2018, the tubing and packer were pulled from the well and a permanent bridge plug capped with cement was set at 875 mKB. These workover operations have downhole suspended the Paddy-Cadotte and the completion event is considered zonally abandoned. ARC Resources Ltd. has indicated there are no immediate plans for reactivation of this well and has consented to the cancellation of the disposal approval.

Pursuant to the *Oil and Gas Activities Act (OGAA)* section 75(2)(b), the Commission may cancel, suspend or amend a designation (iii) if the Commission considers that the designation is spent, or (iv) if the Commission considers that the designation is no longer appropriate, including, without limitation, for reasons of (a) public safety, (b) protection of the environment, or (c) conservation of petroleum and natural gas resources.

The Special Project Approval for an area near the Sunrise field – Paddy-Cadotte formation, well ARCRES Sunrise 13-36-78-28 (WA# 27024), is hereby cancelled under section 75(2)(b) of OGAA. In accordance with Section 75(2)(b)(iii), the Commission considers that the designation is spent.

Should you have any questions, please contact Kathryn Archibald at (250) 419-4406 or Ron Stefik at (250) 419-4430.

Sincerely,



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