

April 9, 2021

8120-2010-32640-60

Gemma Syme
Manager, Canada Regulatory Operations
Ovintiv Canada ULC
P.O. Box 2850
500 Centre Street, SE
Calgary, Alberta T2P 2S5

Dear Ms. Syme,

**RE: OBSERVATION WELL STATUS APPROVAL
OVV CRP HZ SUNRISE A4-24-78-17 (WA# 29764)
SUNRISE – PADDY-CADOTTE**

BC Oil and Gas Commission (Commission) staff have reviewed the March 22, 2021 application from Ovintiv Canada ULC (Ovintiv) seeking observation well designation for OVV CRP HZ Sunrise A4-24-78-17 (WA# 29764).

The Drilling and Production Regulation Part 1 defines an observation well as “a well or a portion of a well designated as an observation well under section 2 (7)”.

- 2 (7) An official may designate a well as an observation well if
- (a) the well is being used to monitor reservoir pressures or to obtain other formation information, and
 - (b) the well is not used to produce from, or inject or dispose of fluids into, a formation being monitored.

The subject well was drilled in 2015 and completed in the Paddy-Cadotte formation as a source well, but has never produced. A reservoir pressure test conducted in 2019 confirmed the well is in communication with the disposal wells in the Sunrise area, Paddy-Cadotte formation. Ovintiv is requesting use of this well to monitor and conduct reservoir pressure surveillance through the Paddy-Cadotte and is proposing that annual reservoir pressure survey tests be conducted.

Reservoir pressure data from the subject well will provide valuable information about dissipation from disposal operations in the far field. Approval of observation status is granted for OVV CRP HZ Sunrise A4-24-78-17 (WA #29764), for the Sunrise field, Paddy-Cadotte formation, with the following requirements;

- conduct one pressure test in the well every year, with the first test to occur in 2021.

All reservoir pressure tests conducted must be submitted to the Commission within 60 days of the end of the test.

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

Sincerely,



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