

May 5, 2017

5560-4800-32640-60

Lynn Wood, P.Eng  
Exploitation Engineer – BC South  
Canadian Natural Resources Ltd.  
Suite 2500, 885 – 2nd Street SW  
Calgary, Alberta, T2P 4J8

Dear Ms. Wood,

**RE: OBSERVATION WELL DESIGNATION WITHDRAWAL  
CNRL ET AL LAPP a-A50-C/94-H-10 (WA 14051)  
LAPP – HALFWAY “D”**

The BC Oil and Gas Commission (Commission) is presently reviewing observation wells, to confirm the suitability of this status and amend or rescind approvals, to conform to current requirements. Staff have reviewed the observation well in the Lapp field, Halfway “D” pool; CNRL et al Lapp a-A50-C/94-H-10 (WA 14051).

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 2001 and the Halfway formation was completed for the purpose of water injection, but never injected. The status of the Halfway completion event was changed to observation in May 2002. The most recent reservoir pressure test conducted on the subject well is dated May 2010.

The requirement to use the subject well to monitor reservoir pressures or to obtain other formation information is no longer being met. The observation well designation for CNRL et al Lapp a-A50-C/94-H-10 (WA 14051), will be withdrawn as of June 2, 2017, and the status will change to suspended water observation unless a valid reason for designation is provided to this office prior to that date.

Please be reminded that the Lapp – Halfway “D” pool is subject to the annual reservoir pressure testing requirements outlined in Section 73 of the Drilling and Production Regulation. All reservoir pressure tests conducted must be submitted to the Commission within 60 days after the date on which the pressure was measured.

Should you have any questions, please contact Kathryn Archibald at (250) 419-4457 or the undersigned at (250) 419-4430.

Sincerely,



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