

July 4, 2017

5852-2805-32640-60

Dallyn Pawsey  
Operations Engineering Intern  
Crescent Point Energy Corporation  
Suite 2000, 585 – 8<sup>th</sup> Ave SW  
Calgary, AB T2P 1G1

Dear Mr. Pawsey:

**RE: OBSERVATION WELL STATUS APPROVAL  
CPEC ET AL MAXHAMISH d-69-J/94-O-11 (WA 10876)  
MAXHAMISH LAKE – CHINKEH 'A'**

BC Oil and Gas Commission (Commission) staff have reviewed the June 28, 2017, application from Crescent Point Energy Corporation seeking approval of observation well status for CPEC et al Maxhamish d-69-J/94-O-11 (WA 10876).

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 1998 and the Chinkeh formation was completed, but did not produce. The Chinkeh completion event was suspended by bridge plug in 2000 and the Scatter formation was perforated. The Scatter formation perforations were cement squeezed in 2010 and the bridge plug isolating the Chinkeh formation was drilled out. Crescent Point Energy Corporation is requesting use of this well to statically monitor reservoir pressures in the Chinkeh 'A' pool. The well is in close proximity to the nine oil producing wells currently operated by Crescent Point Energy Corporation. Reservoir pressure data collected will be used to meet annual pressure testing requirements and to assess potential future development of the resource.

Approval of observation status is granted for CPEC et al Maxhamish d-69-J/94-O-11, for the Chinkeh formation, with the following requirements;

- conduct a static reservoir pressure test annually, with the first occurring in 2017;
- conduct a static gradient test within 18 months, and
- submit a BC11 form to the Ministry of Finance to update the well status.

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

Please be reminded that all reservoir pressure tests conducted must be submitted to the Commission within sixty days of the date on which the pressure was measured.

Sincerely,



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