

October 23, 2017

2000-2900-32640-60

Kimberley Toews-Koch
Engineering Technologist
TAQA North Ltd.
2100, 308 – 4th Ave S.W.
Calgary, Alberta T2P 0H7

Dear Ms. Toews-Koch:

**RE: OBSERVATION WELL DESIGNATION WITHDRAWAL
TAQA NORTH BOUNDARY 16-26-85-14 (WA 465)
BOUNDARY LAKE – DUNLEVY FORMATION**

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 Boundary Lake field, Dunlevy formation; TAQA North Boundary 16-26-85-14 (WA 465).

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)”.

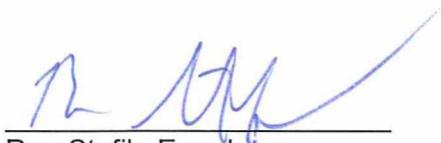
- 2 (7) An official may designate a well as an observation well if
- (a) the well is being used to monitor reservoir pressures or to obtain other formation information, and
 - (b) the well is not used to produce from, or inject or dispose of fluids into, a formation being monitored.

The subject well was drilled in 1959 and the Boundary Lake formation was completed for the purpose of oil production, producing from 1959 to 1964. In September 1964 the Boundary Lake formation was converted to water injection and the Dunlevy formation was completed for the purpose of observation. To date, no well testing records have been submitted to the Commission for the Dunlevy formation.

The requirement to use the subject well to monitor reservoir pressures or to obtain other formation information has not been met. The observation well designation for TAQA North Boundary 16-26-85-14 (WA 465), will be withdrawn as of November 30, 2017, and the status will change to suspended oil observation unless a valid reason for designation is provided to this office prior to that date.

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