



December 20, 2018

3200-8400-32640-02

Thomas DeBiasio
Production EIT, Operations
Canlin Energy Corporation
PO Box 4335, Station C
Calgary, AB, T2T 5N2

Dear Mr DeBiasio:

**RE: PRESSURE TESTING EXEMPTION
PRODUCED WATER DISPOSAL SPECIAL PROJECT APPROVAL
CANLIN ET AL CLARKE a-74-G/94-J-10; WA# 8226
CLARKE LAKE FIELD – SLAVE POINT 'A' POOL**

BC Oil and Gas Commission (Commission) staff have reviewed your application, dated December 11, 2018, requesting deferral of the required 2018 reservoir pressure test to August 2019, due to operational constraints related to winter conditions. Canlin Energy Corporation has a planned outage during the summer of 2019 and has proposed to complete the testing during the outage.

Approval for disposal of produced water, Order 02-02-005, was issued for the subject well, Slave Point formation, on March 20, 2002. The subject well was drilled directionally into the Clarke Lake Slave Point 'A' pool. The well produced gas from March 1994 to October 1995. Disposal into the well started in January 2003, and has continued until present, with 2,997,003 m³ disposed to date. In January 2017, a casing patch was installed across the slowly leaking stage cementing tool at 1430 mKB, after which an annular pressure test was successfully passed. The last reservoir pressure in the well showed the reservoir pressure to be at 75% of initial pool pressure.

The requirement to conduct a reservoir pressure test in 2018 is hereby deferred. A reservoir pressure test must be conducted on the subject well no later than **August 31, 2019**. All reservoir pressure tests must be submitted to the Commission within sixty 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,

A handwritten signature in black ink, appearing to read 'Ron Stefik', written over a horizontal line.

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