



October 21, 2019

5180-8600-32640-02

Ron Ens
Sanling Energy Ltd.
1700, 250 - 2nd Street, SW
Calgary, AB T2P 0C1

Dear Ron Ens:

**RE: PRODUCED WATER DISPOSAL SPECIAL PROJECT CANCELLATION
SLE ET AL KLUA a-76-J/94-J-8 (WA# 7243)
KLUA FIELD – PINE POINT 'E' POOL**

The subject well was drilled and completed into the Pine Point 'E' Pool as a gas producer. Approval for salt water disposal into the Pine Point 'E' Pool was granted on December 13, 1999 and disposal operations occurred from September 2000 to October 2011. On October 21st, 2019, Sanling Energy Ltd. indicated having no plans for reactivation and concurred that cancellation of the disposal approval is appropriate.

Pursuant to the *Oil and Gas Activities Act (OGAA)* section 75(2)(b), the Commission may cancel, suspend or amend a designation (iii) if the Commission considers that the designation is spent, or (iv) if the Commission considers that the designation is no longer appropriate, including, without limitation, for reasons of (a) public safety, (b) protection of the environment, or (c) conservation of petroleum and natural gas resources.

The Special Project Approval 99-02-006 for the Klua field, Pine Point "E" Pool, well SLE et al Klua a-76-J/94-J-8 (WA 7243) is hereby cancelled under section 75(2)(b) of OGAA. In accordance with Section 75(2)(b)(iii), the Commission considers that the designation is spent.

Should you have any questions, please contact Logan Gray at (250) 419-4465 or the undersigned at (250) 419-4430.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Ron Stefik'.

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