

March 26, 2020

8100-6200-32640-60

Brittany Jorgensen, P.Eng
Exploitation Engineer
Canadian Natural Resources Limited
Suite 2100, 885 – 2nd Street SW
Calgary, Alberta, T2P 4J8

Dear Ms. Jorgensen,

**RE: OBSERVATION WELL STATUS DESIGNATION
CNRL ET AL W STODDART 10-34-85-20 (WA 6482)
STODDART WEST – BELLOY ‘C’**

The BC Oil and Gas Commission (Commission) staff has reviewed the March 24, 2020 request from Canadian Natural Resources Limited (CNRL) to designate the well CNRL et al W Stoddart 10-34-85-20 (WA# 6482), in the Stoddart West field, Belloy ‘C’ pool; as an observation well.

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 1986 and the Belloy formation was completed for the purpose of oil production; producing from 1986 to 2007. The status of the Belloy formation was updated to observation in October 2013. An updated approval was issued on July 31, 2017 with the condition to conduct a reservoir pressure test annually. Observation status was withdrawn on February 28, 2019, because the required reservoir pressure testing had not been completed. Following the withdrawal, CNRL conducted a reservoir pressure test in the subject well in March 2019.

CNRL is requesting use of this well to monitor the reservoir pressure in the Stoddart West, Belloy ‘C’ pool. The data collected will provide valuable information about the performance of the water flood pressure maintenance project.

Approval of observation status is granted for CNRL et al W Stoddart 10-34-85-20 (WA# 6482), for the Belloy ‘C’ pool, with the following requirements;

- conduct a reservoir pressure test annually, using downhole recorders, with the next test occurring in 2020.

Should you have any questions, please contact Kathryn Archibald at (250) 419-4406 or the undersigned at (250) 419-4430.

Sincerely,



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