

May 3, 2017

0400-4800-32640-60

Kelsey Whiting-Hewlett, C.E.T.
Engineering Technologist, Conventional, Engineering
Pengrowth Energy Corporation
2100, 222 – 3rd Avenue SW
Calgary, AB T2P 0B4

Dear Mr. Whiting-Hewlett:

**RE: OBSERVATION WELL STATUS APPROVAL
PENGROWTH ET AL BEATTON b-38-J/94-H-2 (WA 309)
BEATTON RIVER – HALFWAY “A”**

BC Oil and Gas Commission (Commission) staff have reviewed the May 2, 2017 application from Pengrowth Energy Corporation seeking approval of observation well status for Pengrowth et al Beatton b-38-J/94-H-2 (WA 309).

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 1958 and the Halfway formation was completed for the purpose of oil production, producing from 1958 to 1986. In 1998 the Halfway was re-completed for the purpose of water injection, injecting water into the formation from 1998 until 2015. The last reported production from the Beatton River, Halfway “A” pool is dated March 2008.

Pengrowth Energy Corporation is requesting use of this well to monitor the reservoir pressure in the Beatton River, Halfway “A” pool. Since the termination of water injection in February 2015, Pengrowth Energy Corporation expects that the pressure will continue to fall. The recent acoustic well sounder test conducted on the subject well reports a current reservoir pressure of 12,553 kPaa at 346 mSS.


Approval of observation status is granted for Pengrowth et al Beatton b-38-J/94-H-2 (WA 309), for the Halfway “A” pool, with the following requirements;

- conduct a reservoir pressure test using bottom hole recorders annually
- 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