

June 29, 2023

0200-2700-32640-60

Jonathan Wright, P. Eng.
Director, Engineering and Operations ACGS
Aitken Creek Gas Storage ULC
11304 – 100th Avenue
Ft St John, British Columbia V1J 1Z9

Dear Mr. Wright,

**RE: OBSERVATION WELL DESIGNATION
AITKEN GAS AITKEN CREEK b-42-L/94-A-13 (WA# 485)
AITKEN CREEK FIELD – GETHING 'A' POOL**

BC Energy Regulator staff have reviewed the April 4, 2023, application from Aitken Creek Gas Storage ULC (ACGS) seeking observation well designation for 4 wells in the Aitken Creek field, Gething 'A' pool, including Aitken Gas Aitken Creek b-42-L/94-A-13.

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,
 - (b) the well is not used to produce from, or inject or dispose of fluids into, a formation being monitored.

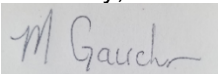
The subject well was rig released in November 1959 and was completed for the purpose of gas production. The Aitken Creek, Gething 'A' pool was approved for storage of natural gas in 1984 and storage operations began in 1987. ACGS is requesting observation well designation for the subject well to model the reservoir, collect gas movement information and test for well integrity and suitability for long-term observation. The application well is zonally abandoned, but it is the intention of ACGS to drill out the cement and bridge plug and equip the well for permanent pressure monitoring.

Approval of observation status is granted for the well Aitken Gas Aitken Creek b-42-L/94-A-13 (WA# 485), for the Gething formation, with the following requirements:

1. Equip the well with tubing and a packer.
2. Conduct annual packer isolation tests and submit results to the Regulator.
3. Conduct an annual surface casing vent flow rate tests and submit the results to the Regulator.
4. Conduct a minimum of two reservoir pressure tests annually and submit the results to the Regulator.
5. Prior to December 31, 2024:
 - o Conduct a static gradient test a minimum of once.
 - o Conduct a cement bond log and casing integrity log and submit with interpretation reports of the results, to the Regulator.
 - o Submit a report to the Regulator of any other observations or analysis conducted based on the data collected from this well, confirming appropriate continuation of observation designation.

Should you have any questions, please contact the undersigned at (250) 419-4482.

Sincerely,



Michelle Gaucher, P. Eng.
Senior Reservoir Engineer
BC Energy Regulator