



November 1, 2019

3360-4100-32640-02

Graham MacGillivray, P.Eng.  
Production Engineer  
Painted Pony Energy Ltd.  
1200, 520 – 3<sup>rd</sup> Avenue SW  
Calgary, AB T2P 0R3

Dear Graham MacGillivray:

**RE: PRODUCED WATER DISPOSAL SPECIAL PROJECT CANCELLATION  
PAINTED PONY CYPRESS a-86-C/94-B-15 (WA# 827)  
CYPRESS FIELD – BALDONNEL 'A' POOL**

The subject well was drilled and completed in 1962 in the Baldonnel 'A' pool as a gas well but did not produce. The well was later reentered in 1992 and completed into the Nikkinassin formation for water disposal but injectivity was insufficient for disposal operations. The well was subsequently recompleted into the Baldonnel 'A' pool in January 1993 and approval for salt water disposal into the Baldonnel 'A' pool was granted on June 17<sup>th</sup>, 1993. The last reported disposal into the well occurred in November 2014. On October 31<sup>st</sup>, 2019, Painted Pony Energy Ltd. indicated having no plans for reactivation of this well 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 for the Cypress field, Baldonnel 'A' pool well Painted Pony Cypress a-86-C/94-B-15 (WA 827) 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', written over a horizontal line.

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