

June 15, 2022

8110-4060-59240-16

Matthew Galea
Exploitation Engineer, BC South
Canadian Natural Resources Ltd.
2100, 855- 2 nd Street SW
Calgary, Alberta T2P 4J8

Dear Matthew Galea:

**RE: ACID GAS DISPOSAL APPROVAL AMENDMENT #3
SUKUNKA SUKUNKA a-43-B/93-P-5; WA# 1517
SUKUNKA FIELD – PARDONET-BALDONNEL “J” POOL**

The Commission has reviewed the state of the suspended acid gas disposal well a-43-B/93-P-5 (WA 1517). The subject well was drilled in October of 1964, and produced from December 1980 to June 2002. Approved for acid gas disposal in 2002, disposal operations occurred from March 2004 until October 2012. The well was suspended with a tubing plug in November of 2012. A total volume of 952,168 e³m³ of acid gas has been disposed into the depleted Pardonet-Baldonnel “J” pool. On February 5, 2021, the Commission provided a letter to Sukunka Ltd. (CNRL) requesting an indication of intended future use of this well. The response on April 6, 2021 indicated no potential use within 2 years.

As part of the Commission’s assessment and amendment process for all disposal wells, active and inactive, a number of new conditions have been applied. The subject well will require increased monitoring and reporting, as outlined in the attached order **#02-16-001 Amendment #3**. For the inspection requirement of Order condition 2b), please arrange via email to OGCPipelines.Facilities@bcogc.ca as soon as practicable, but before August 31st, 2022.

Prior to returning this well to active disposal, an application to amend this Order is required, with supporting well test and logging information.

If you have any questions, please contact Michelle Gaucher at michelle.gaucher@bcogc.ca or 250-419-4482, or Ron Stefik at ron.stefik@bcogc.ca or 250-419-4430.

Sincerely,



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

ORDER 02-16-001 AMENDMENT #3

- 1 Under Section 75(1)(d) of the *Oil and Gas Activities Act*, the Commission designates the operation and use of a storage reservoir for the disposal of acid gas in the well Sukunka field – Pardonet-Baldonnel “J” pool as a special project in the following area:

NTS 93-P-5: Block A - units 60 and 70
 Block B - units 32, 33, 42, 43, 51-53 and 61-63

- 2 Under section 75(2) of the *Oil and Gas Activities Act*, the special project designation in this Order is subject to the following conditions. The Permit Holder shall:

Operating Limits

- a) Maintain the well Sukunka Sukunka a-43-B/93-P-05; WA1517 in a suspended state.

Monitoring

- b) Schedule an OGC technical inspection as soon as practicable prior to August 31, 2022.
- c) Install and maintain H₂S detection and alarming capable of immediate notification to CNRL Emergency Response staff.
- d) Calibrate H₂S detection twice annually.
- e) Complete twice-annual site inspection visits, recording pressure measurements of the tubing and the casing annulus and eSubmit a Suspended Well Inspection report via eSubmission, as described in eSubmission User Guide.
- f) Once annually, conduct a positive pressure test to 7MPa for 10 minutes on the annulus and tubing and report via eSubmission through the Suspended well report.

Wellbore Integrity

- g) Ensure a downhole safety valve with failsafe closure is installed.
- h) Implement appropriate corrosion and freeze protection measures in the casing-tubing annulus.
- i) Maintain a barricade around the wellhead that is capable of withstanding vehicle collision.
- j) Submit a Progress Report for a Suspended Acid Gas Well to the Commission annually. The Progress Report must be filed within 60 days after the end of the year and must contain the information specified in the Acid Gas Progress Report Requirements document found on the OGC website here: <http://www.bccgc.ca/industry-zone/documentation/Subsurface-Disposal>.
- k) Prior to abandonment of the disposal zone or well, conduct a reservoir pressure test on the formation in the subject well, with a shut-in period of sufficient length to provide data for calculation of the reservoir pressure and submit a report of the test within 60 days of the end of the test.
- l) Do not remove the packer in the subject well unless approved to do so by the Commission.

R. A. H.

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

DATED AT the City of Victoria, in the Province of British Columbia, this 15th day of June, 2022.