

September 3, 2019

5840-8400-32640-02

Joshua Smith
Exploitation Engineer
Storm Resources Ltd.
Suite 600, 215 - 2 Street SW
Calgary, AB T2P 1M4

Dear Joshua Smith:

RE:

PRODUCED WATER DISPOSAL SPECIAL PROJECT CANCELLATION

SRL LOUISE c-80-L/94-P-03 (WA# 1570) LOUISE FIELD – SLAVE POINT 'A' POOL

The subject well was drilled in 1965 and completed into the Slave Point 'A' pool but never produced. Approval for salt water disposal into the Salve Point 'A' pool was granted on January 12, 2001 however no disposal operation has occurred. On August 8th, 2019, Storm Resources Ltd. indicated having no plans for reactivation 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 01-02-001 for the Louise field, Slave Point 'A' pool well SRL Louise c-80-L/94-P-03 (WA 1570) 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,

Ron Stefik, Eng. L.

Supervisor, Reservoir Engineering

Oil and Gas Commission