BC Oil & Gas COMMISSION

May 5, 2017 4900-4575-32640-60

Lynn Wood, P.Eng
Exploitation Engineer – BC South
Canadian Natural Resources Ltd.
Suite 2500, 885 – 2nd Street SW
Calgary, Alberta, T2P 4J8

Dear Ms. Wood,

RE: OBSERVATION WELL STATUS APPROVAL
CNRL ET AL INGA b-44-J/94-A-12 (WA 2461)
INGA – INGA "A"

The BC Oil and Gas Commission (Commission) is presently reviewing observation wells, to confirm the suitability of this status and amend or rescind approvals, to conform to current requirements. Staff have reviewed the observation well in the Inga field, Inga "A" pool; CNRL et al Inga b-44-J/94-A-12 (WA 2461).

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 1969 and the Inga formation was completed, but never produced. The status of the Inga completion event was changed to observation in June 2012.

Approval of observation status is granted for CNRL et al Inga b-44-J/94-A-12 (WA 2461), for the Inga "A" pool, with the following requirements;

- conduct a reservoir pressure test annually.

Failure to meet this condition will result in removal of the observation well designation.

Please be reminded that the Inga – Inga "A" pool is subject to the annual pressure testing requirements outlined in Section 73 of the Drilling and Production Regulation. All reservoir pressure tests conducted must be submitted to the Commission within 60 days after the date on which the pressure was measured.

Should you have any questions, please contact Kathryn Archibald at (250) 419-4457 or the undersigned at (250) 419-4430.

Sincerely,

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