

January 5, 2019

3445-6200-32640-60

Brittany Jorgensen, P.Eng Exploitation Engineer Canadian Natural Resources Limited Suite 2100, 885 – 2nd Street SW Calgary, Alberta, T2P 4J8

Dear Ms. Jorgensen,

RE:

OBSERVATION WELL STATUS APPROVAL CNRL ET AL W EAGLE 6-6-85-18 (WA 4010)

EAGLE WEST – BELLOY A

BC Oil and Gas Commission (Commission) staff have reviewed the December 12, 2018 application from Canadian Natural Resources Limited (CNRL) seeking observation well designation for CNRL et al W Eagle 6-6-85-18 (WA 4010).

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 1977 and the Belloy formation was completed for the purpose of oil production; producing from 1977 to 1981. In 1982 the well was repurposed for water injection and actively injected water until 2002. The well was suspended with a tubing plug in 2012.

CNRL requests use of this well to monitor water flood pressure dissipation in the Eagle West, Belloy "A" pool.

Approval of observation status is granted for CNRL et al W Eagle 6-6-85-18 (WA 4010), for the Belloy "A" pool, with the following requirement;

conduct a reservoir pressure test annually using downhole recorders.

Please be reminded that all reservoir pressure tests conducted must be submitted to the Commission within sixty days of the date on which the pressure was measured.

Should you have any questions, please contact Kathryn Archibald at (250) 419-4406 or the undersigned at (250) 419-4430.

Sincerely,

Ron Stefik, Eng. L.

Supervisor, Reservoir Engineering

Oil and Gas Commission