

January 31, 2019

8100-6200-32640-60

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

Dear Ms. Jorgensen,

**RE: OBSERVATION WELL STATUS WITHDRAWAL
CNRL ET AL W STODDART 10-34-85-20 (WA 6482)
STODDART WEST – BELLOY ‘C’**

The BC Oil and Gas Commission (Commission) has reviewed the observation well in the Stoddart West field, Belloy ‘C’ pool; CNRL et al W Stoddart 10-34-85-20 (WA 6482) for compliance with approval conditions.

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 1986 and the Belloy formation was completed for the purpose of oil production; producing from 1986 to 2007. The status of the Belloy formation was updated to observation in October 2013. An updated approval was issued on July 31, 2017 with the condition to conduct a reservoir pressure test annually. The most recent pressure test on file for the subject well is dated January 28, 2016.

The required pressure testing has not been conducted and the requirement to use the subject well to monitor reservoir pressures or to obtain other formation information is no longer being met. The observation well designation for CNRL et al W Stoddart 10-34-85-20 (WA 6482) will be withdrawn as of February 28th, 2019 and the status will be updated to suspended oil observation.

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