

June 16, 2016

2020-4800-32640-60

Carmen Vinnell
Operations Technician
Venturion Oil Limited
1600, 500 – 4th Avenue SW
Calgary, Alberta, T2P 2V6

Dear Ms. Vinnell:

**RE: OBSERVATION WELL STATUS APPROVAL
VENTURION N BOUNDARY 14-30-087-14
BOUNDARY LAKE NORTH – HALFWAY I POOL**

BC Oil and Gas Commission (Commission) staff have reviewed the June 13, 2016 application from Venturion Oil Limited seeking approval of observation well status for Venturion N Boundary 14-30-087-14 (WA 06876).

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 1988 and the Boundary Lake North, Halfway I formation was completed for oil production. The well produced in 1988, 1989 and 2014. In October 2014 the tubing string with pump and rods was pulled and new tubing was installed for the purpose of pressure testing.

Venturion Oil Limited is requesting use of this well to monitor the Halfway I pool for reservoir behavior and reservoir pressure in the Boundary Lake North field.

Approval of observation status is granted for Venturion N Boundary 14-30-087-14 (WA 06876), for the Halfway I pool, with the following requirements;

- To conduct a reservoir pressure test annually,
- To submit a BC11 form to the Ministry of Finance to update the well status.

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

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.

Sincerely,



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