

January 30, 2017

3430-2600-32640-02

Sara Whelen
Exploitation Specialist
Canadian Natural Resources Ltd
2100, 855 – 2nd Street, SW
Calgary, AB, T2P 4J8

Dear Ms Whelen:

**RE: TERMINATE PRODUCED WATER DISPOSAL ORDER 94-02-004
CNRL DRAKE b-84-E/94-H-01; WA# 8450
DRAKE FIELD – BLUESKY FORMATION**

Approval for disposal of produced water, Order 94-02-004, was issued for the subject well, Bluesky formation, on August 3, 1994. The Commission is presently examining all active disposal wells to ensure they conform to current requirements.

The subject well disposed of a total of 71,028 m³ of water between June 2002 and July 2016. A static gradient reservoir pressure test of the December 2016 indicates that the Bluesky formation has surpassed 120% of initial pressure. This confirms the results from the December 2015 fall-off test 60-day extrapolated pressure. Based on these results, the subject well has reached the end of disposal life in the Bluesky formation.

No additional volume may be disposed into the Bluesky formation of the well b-84-E/94-H-1. Order 94-02-004 for produced water disposal will be terminated as of February 14, 2017, unless this office is contacted prior to that date with valid reason why this should not occur.

Should you have any questions, please contact Michelle Harding at (250) 419-4493 or the undersigned at (250) 419-4430.

Sincerely,



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