

July 31, 2017

7600-4520-32640-60

Kelsey Whiting-Hewlett, C.E.T.  
Engineering Technologist, Conventional, Engineering  
PENGROWTH Energy Corporation  
2100, 222- 3<sup>rd</sup> Avenue SW  
Calgary, AB T2P 0B4

Dear Mr. Whiting-Hewlett,

**RE: OBSERVATION WELL DESIGNATION WITHDRAWAL  
PENGROWTH RIGEL 15-10-88-18 (WA 10441)  
RIGEL – CECIL “G”**

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 Rigel field, Cecil formation; Pengrowth Rigel 15-10-88-18 (WA 10441).

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 1997 and the Rigel formation was completed for the purpose of oil production, producing from 1997 to 2001. The status of the Cecil formation completion event was changed to observation in December 2004. The Cecil “G” pool has not reported production since July 2015 and the last reported water injection is dated September 2016. The most recent pressure test on file for the subject well is dated July 2016.

The requirement to use the subject well to monitor reservoir pressures or to obtain other formation information is no longer being met due to the lack of activity occurring within the pool. The observation well designation for Pengrowth Rigel 15-10-88-18 (WA 10441), will be withdrawn as of August 30<sup>th</sup>, 2017, and the status will revert to suspended oil production unless a valid reason for designation is provided to this office prior to that date.

Should you have any questions, please contact Kathryn Archibald at (250) 419-4457 or the undersigned at (250) 419-4482.

Sincerely,



Michelle Gaucher, P.Eng  
Reservoir Engineer  
Oil and Gas Commission