

July 31, 2017

7600-4520-32640-60

Andrew McKay  
Production Engineer  
Bonavista Energy Corporation  
1500, 525 8<sup>th</sup> Avenue SW  
Calgary, AB T2P 1G1

Dear Mr. McKay,

**RE: OBSERVATION WELL DESIGNATION WITHDRAWAL  
BONAVISTA ET AL RIGEL 6-11-88-18 (WA 10914)  
RIGEL – CECIL ‘H’**

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 “H” pool; Bonavista et al Rigel 6-11-88-18 (WA 10914).

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 Cecil formation was completed for the purpose of oil production; producing from 1997 to 2001. The status of the Cecil completion event was updated to observation in December 2004. The most recent pressure test on file for the subject well is dated March, 2013.

The requirement to use the subject well to monitor reservoir pressures or to obtain other formation pressure is no longer being met. The observation well designation for Bonavista et al Rigel 6-11-88-18 (WA 10914) will be withdrawn as of August 20<sup>th</sup>, 2017, and the status will change 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) 419-4430.

Sincerely,



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