

March 18, 2020 4650-2600-32640-60

Jordy Brickner Production Engineer Harvest Operations Corp. 1500, 700 – 2nd Street SW Calgary, AB T2P 2W1

Dear Mr. Brickner,

RE: OBSERVATION WELL STATUS WITHDRAWAL HARVEST HZ HAY a-F76-H/94-I-9 (WA# 12515) HAY RIVER – BLUESKY "A"

The subject well was drilled in 2000 and consists of three open hole, horizontal legs in the Bluesky formation. The well has been active as an observation well since March 2011. Harvest Operations Corp. (Harvest) was unable to acquire the required annual reservoir pressure test 2019 due to the inability to land recorders in the well. Harvest has informed the Commission that Harvest HZ Hay a-F76-H/94-I-9 (WA# 12515) will no longer be used to gather reservoir pressure and has agreed that withdrawal of the observation well designation is appropriate.

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.

Approval of observation status is withdrawn for Harvest Hay a-F76-H/94-I-9 (WA 12515), for the Bluesky "A" pool. The well is no longer suitable to monitor reservoir pressures.

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