

April 12, 2017

2400-4805-32640-60

Florin Hategan, P.Eng
Exploitation Engineer
Canadian Natural Resources Ltd.
Suite 2500, 885 – 2nd Street SW
Calgary, Alberta, T2P 4J8

Dear Mr. Hategan,

**RE: OBSERVATION WELL DESIGNATION WITHDRAWAL
CNRL HZ BUICK a-28-I/94-A-11 (WA 13014)
BUICK CREEK – LOWER HALFWAY “J”**

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 Buick Creek field, Lower Halfway “J” pool; CNRL HZ Buick a-28-I/94-A-11.

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 2000 and the Lower Halfway formation was completed for the purpose of oil production; producing from the subject pool from 2000 to 2010. The status of the Lower Halfway completion event was changed to observation in November 2012. The Buick Creek field, Lower Halfway “J” pool has not reported production since November 2012. The most recent reservoir pressure test conducted on the subject well is dated October 2013.

The requirement to use the subject well to monitor reservoir pressures or to obtain other formation information is no longer being met. The observation well designation for WA 13014, CNRL HZ Buick a-28-I/94-A-11, will be withdrawn as of May 15, 2017, and the status will update to suspended oil production unless a valid reason for designation is provided to this office prior to that date.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