

January 31, 2019

0320-2700-32640-60

Graham Janega, P.Eng
VP Subsurface
Canbriam Energy Inc.
2100, 215 2nd Street
Calgary, Alberta, T2P 1M4

Dear Mr. Janega,

**RE: OBSERVATION WELL STATUS WITHDRAWAL
CANBRIAM ALTARES a-43-A/94-B-8 (WA 20413)
ALTARES – GETHING ‘A’ POOL**

The BC Oil and Gas Commission (Commission) has reviewed the observation well in the Altares field, Gething ‘A’ pool; Canbriam Altares a-43-A/94-B-8 (WA 20413) for compliance with approval conditions.

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 2006 and the Halfway and Charlie Lake formations were completed. The Charlie Lake formation produced for one month in 2006. In 2010, the Halfway and Charlie Lake formations were suspended using bridge plugs and the Gething formation was completed for the purpose of observation. Observation well designation was granted for the subject well on April 12, 2017 with the requirement to conduct a reservoir pressure test on an annual basis. The last pressure test submitted for the subject well is dated November 28, 2016.

The required pressure testing has not been conducted and 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 The observation well designation for Canbriam Altares a-43-A/94-B-8 (WA 20413) will be withdrawn as of February 28th, 2019 and the status will be updated to suspended gas observation.

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