2800-4800-32640-02



November 13, 2020

Joshua Smith Exploitation Engineer Storm Resources Ltd. Suite 600, 215 – 2 Street SW Calgary, AB T2P 1M4

Dear Mr. Smith:

RE: PRODUCED WATER DISPOSAL SPECIAL PROJECT CANCELLATION SRL W BUICK d-38-L/94-A-14 (WA #21696) BUICK CREEK WEST FIELD - HALFWAY FORMATION

The subject well was drilled in September 2006 to evaluate the Slave Point & Debolt formations but was unsuccessful for hydrocarbon production. In February 2011 the Montney formation was perforated and fracture stimulated, testing limited gas inflow, then suspended. In November 2013, the Montney formation was abandoned and the Halfway formation completed and injection tested for water disposal potential. The well was approved for disposal operations on March 28, 2014 and injection began in April of 2014. Disposal occurred until November 2015, with a cumulative disposal volume of 15,762 m³. On November 6th, 2020, Storm Resources Ltd. indicated to the Commission via email that they had no plans for further disposal operations in the Halfway formation and concurred that cancellation of the approval is appropriate.

Pursuant to the *Oil and Gas Activities Act (OGAA)* section 75(2)(b), the Commission may cancel, suspend or amend a designation (iii) if the Commission considers that the designation is spent, or (iv) if the Commission considers that the designation is no longer appropriate, including, without limitation, for reasons of (a) public safety, (b) protection of the environment, or (c) conservation of petroleum and natural gas resources.

The Special Project Approval 14-02-004 for the Buick Creek West field, Halfway formation well SRL W Buick d-38-L/94-A-14 (WA# 21696) is hereby cancelled under section 75(2)(b) of OGAA. In accordance with Section 75(2)(b)(iii), the Commission considers that the designation is spent.

Should you have any questions, please contact Logan Gray at (250) 419-4465 or the undersigned at (250) 419-4430.

Sincerely,

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

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