

March 28, 2019

7750-2800-32640-02

Stephen Penner, P.L.(Eng)  
Canadian Natural Resources Ltd.  
Suite 2100, 855 – 2<sup>nd</sup> Street SW  
Calgary, AB T2P 4J8

Dear Mr. Penner:

**RE: WATER SOURCE AND PRODUCED WATER DISPOSAL WELL, AMENDMENT #2  
SPECIAL PROJECT CANCELLATION  
CNRL HZ SEPTIMUS B2-8-82-19; WA# 24196  
SEPTIMUS FIELD - CADOMIN FORMATION**

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On December 22, 2017, the Commission notified Canadian Natural Resources Limited (CNRL) of concerns regarding potential induced seismicity resulting from operations at the subject well and the intention to terminate Order 12-02-020, Amendment #2. The last reported disposal use is dated March 2018.

A number of seismic events have been recorded in the area of the subject well. Further disposal into the well may result in triggering additional events with the potential associated loss of wellbore integrity and fluid containment.

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.

Order 12-02-020, Amendment #1, designating an area in the Septimus field – Cadomin formation as a Special Project under section 75 of OGAA for use as a storage reservoir for the disposal of produced salt water and flowback from fracturing operations is hereby cancelled. In accordance with Section 75(2)(b)(iv) of OGAA, the Commission considers that the designation is no longer appropriate for reasons of (a) public safety and (b) the protection of the environment.

Should you have any questions, please contact Kathryn Archibald at (250) 419-4406 or the undersigned at (250) 419-4430.

Sincerely,



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