

December 23, 2019

9045-7400-32640-02

Gemma Syme Lead, Regulatory Ops & Reporting Encana Corporation P.O. Box 2850, 500 Centre St SE Calgary, AB, T2P 2S5

Dear Ms. Syme:

RE:

PRODUCED WATER DISPOSAL SPECIAL PROJECT APPROVAL, AMENDMENT #2

PRESSURE TESTING EXEMPTION

ECA KIWIGANA b-14-D/94-O-7 (WA# 25862) HORN RIVER FIELD – DEBOLT FORMATION

BC Oil and Gas Commission (Commission) staff have reviewed the request from Encana Corporation (Encana), dated December 19th, 2019, requesting deferral of the required 2019 reservoir pressure test for ECA Kiwigana b-14-D/94-O-7 (WA# 25862) until temporary disposal can be established at ECA Kiwigana b-95-L/94-O-2 (WA# 27905). Temporary disposal at ECA Kiwigana b-95-L/94-O-2 (WA# 27905) will facilitate the shut-in of the subject well, required to conduct a static gradient.

Approval for disposal of produced water, Order 11-02-005, was issued for the subject well, Debolt formation, on April 5, 2011. Disposal operations commenced in June 2012 and a cumulative disposal volume of 761,765 m³ has been injected into the well. Order 11-02-005 Amendment #2, condition 2h) requires that an annual reservoir pressure test be conducted using bottom hole recorders. The results of the most recent reservoir pressure test, dated December 15, 2018, calculate a pressure of 5,858 kPaa at 524 mKB.

Shut-in of the subject is expected prior to January 31, 2020; contingent upon recommencing disposal operations at ECA Kiwigana b-95-L/94-O-2 (WA# 27905). Encana must submit a reservoir pressure test to the Commission which confirms the reservoir pressure in ECA Kiwigana b-95-L/94-O-2 (WA# 27905) has fallen below the approved maximum formation pressure before any injection occurs. A static gradient was conducted and Encana anticipates the results will be available to the Commission the second week of January.

The requirement to conduct a reservoir pressure test in 2019 is hereby deferred for ECA Kiwigana b-14-D/94-O-7 (WA# 27905). A reservoir pressure test must be conducted on the subject well, using downhole recorders, **no later than February 15, 2020.** The reservoir pressure test must be submitted to the Commission within 60 days of the end of the test. The Commission will consider a request for further deferral of the required testing if disposal cannot recommence at ECA Kiwigana b-95-L/94-O-2 in January.

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