

September 27, 2019

9045-7400-32640-02

Jesse Gore CNOOC Petroleum North America ULC 2300, 500 – Center St. S.E. Calgary, AB T2G 1A6

Dear Jesse Gore:

RE:

PRODUCED WATER DISPOSAL SPECIAL PROJECT CANCELLATION

CNOOC ETSHO b-H18-I/94-O-8 (WA#25945) HORN RIVER FIELD – DEBOLT FORMATION

The subject well was drilled in and completed into the Debolt formation in March of 2010 as a water source well and potential water disposal well. Approval to dispose into the Debolt formation was granted in December of 2010. The well remained a water source well until it was approved as an observation well in May of 2015. The well never reported any disposal volumes. On September 26th, 2019, CNOOC Petroleum North America ULC indicated having no plans for future disposal and concurred that cancellation of the disposal 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 10-02-009 for the Horn River field, Debolt formation well CNOOC CNOOC Etsho b-H18-I/94-O-8 (WA 25945) 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