

October 23, 2019

0320-4100-32640-02

Hugo Martinez, P. Eng. Sr. Reservoir Engineer Canbriam Energy Inc. 2100, 215 – 2nd Street S.W. Calgary, AB T2P 1M4

Dear Hugo Martinez:

RE: PRODUCED WATER DISPOSAL SPECIAL PROJECT CANCELLATION CANBRIAM ALTARES B15-1-85-26 (WA# 27473) ALTARES FIELD – BALDONNEL FORMATION

The subject well was drilled in 2015 and completed into the Baldonnel formation. Approval for salt water disposal into the Baldonnel was granted on Janurary 22, 2016. Disposal operations began in February, 2016 and continued until September of 2018. The Baldonnel zone was subsequently abandoned in November of 2018. On October 21st, 2019, Canbriam Energy Inc. indicated having no plans for reactivation 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 16-02-001 for the Altares field, Baldonnel formation, well Canbriam Altares B15-01-085-26 (WA 27473) 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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