

June 7, 2023

9022-5000-32640-60

H. Travis Nicolle, P. Geo
Pad Lead, Montney Implementation Team
ConocoPhillips Canada Resources Corp.
PO Box 130, Station M
Calgary, Alberta T2P 2H7

Dear Mr. Nicolle,

**RE: OBSERVATION WELL STATUS APPROVAL
COP HZ BERNADET 3-14-88-25 (WA# 29868)
NORTHERN MONTNEY FIELD – MONTNEY FORMATION**

BCER staff have reviewed the application dated May 18, 2023, from ConocoPhillips Canada Resources Corp. (ConocoPhillips) seeking observation well designation for the subject well.

The Drilling and Production Regulation Part 1 defines an observation well as “a well or a portion of a well designated as an observation well under section 2 (7)”.

- 2 (7) An official may designate a well as an observation well if
- (a) the well is being used to monitor reservoir pressures or to obtain other formation information, and
 - (b) the well is not used to produce from, or inject or dispose of fluids into, a formation being monitored.

The subject well was drilled horizontally and completed in the Montney formation in 2014 for the production of gas. The well produced gas and condensate from August of 2014 to September of 2015, with cumulative production of $7.4\text{e}^6\text{m}^3$ of gas and $2.8\text{e}^3\text{m}^3$ of condensate. ConocoPhillips proposes to use the well to monitor pressure for upcoming hydraulic fracture stimulations at several pads from 2023 to 2026. For each round of stimulations, a bottomhole memory gauge will be placed in the well prior to the stimulations and will be removed after 1 year.

Approval of observation status is granted for COP HZ Bernadet 3-14-88-25 (WA# 29868), for the Northern Montney field, Montney formation, with the following requirements;

- Report an annual reservoir pressure of the Montney zone to the BCER via eSubmission (TRGS.PDF) within thirty (30) days of the retrieval of the gauge.
- Submit an annual report on March 1st of every calendar year, which includes
 - Pressure data in 5 min intervals for a six (6) month period following any offsetting frac operation in csv/Excel format. Include analysis of Frac Driven Interactions (FDI's) and stress shadowing in PDF format.
 - Future plans for the well, including expected dates for installation and retrieval of the gauge

This approval is considered spent on December 31st, 2026.

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

Sincerely,



Ron Stefik, P.L. Eng.
Supervisor, Reservoir Engineering
BC Energy Regulator