

September 24, 2020

0320-4100-32640-02

Hugo Martinez, P. Eng.
Sr. Reservoir Engineer
Pacific Canbriam Energy Limited
2100, 215 – 2nd Street SW
Calgary AB T2P 1M4

Dear Mr. Martinez:

**RE: PRODUCED WATER DISPOSAL SPECIAL PROJECT CANCELLATION
PACIFIC CANBRIAM HZ ALTARES c-7-H/94-B-8 (WA #31016)
ALTARES FIELD - BALDONNEL FORMATION**

The subject horizontal well, rig released January 9th, 2019, was purpose-drilled for disposal into the Baldonnel. A portion of the open hole horizontal section of the wellbore collapsed during completion operations, however drilling re-entry allowed installation of a slotted liner to a depth of 2747 mKB MD. The remaining portion of the horizontal section is assumed to be partially or fully collapsed. The well was approved for disposal on June 7th, 2019 under OGAA section 75 Order 19-02-009 and disposal operations began later that month. Disposal operations ceased in November of 2019, with 7,520 m³ of cumulative injection. On September 21st, 2020, Pacific Canbriam Energy Limited indicated to the Commission via email that they had no plans for further disposal operations in the Baldonnel formation and concurred that cancellation of the 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 19-02-009 for the Altares field, Baldonnel formation well Pacific Canbriam HZ Altares c-7-H/94-B-8 (WA# 31016) 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