

August 16, 2022

8120-2010-32640-60

Gemma Syme
Manager, Canada Regulatory Operations
Ovintiv Canada ULC
P.O. Box 2850
500 Centre Street, SE
Calgary, Alberta T2P 2S5

Dear Ms. Syme,

**RE: OBSERVATION WELL TESTING AMENDMENT
OVV HZ SUNRISE D13-1-79-17 (WA# 34056)
SUNRISE – PADDY-CADOTTE**

BC Oil and Gas Commission (Commission) staff have reviewed the July 7th, 2022 application from Ovintiv Canada ULC (Ovintiv) seeking an amendment to the required reservoir pressure testing frequency from annual to biennial for the observation well OVV HZ Sunrise D13-1-79-17 (WA# 34056).

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 in 2018 and Order 18-02-007 Amendment #1 was granted for the well on June 11, 2018, approving produced water disposal. The well reported disposal volumes in November and December 2018 and has been inactive since. Reservoir pressure testing conducted in 2019 confirmed the well is in communication with other disposal wells in the Sunrise area, Paddy-Cadotte formation and the well was granted observation status on April 9th of 2021. Ovintiv intends to obtain pressure from these wells on the same schedule as their Paddy-Cadotte disposal wells, once every two years.

The Commission concurs that biennial tests will still provide sufficient reservoir pressure information, though this may change depending on future pressure data. Approval of observation status is hereby amended for OVV HZ Sunrise D13-1-79-17 (WA# 34056) for the Sunrise field, Paddy-Cadotte formation, with the following requirement;

- conduct one pressure test in the well once every 2 years.

All reservoir pressure tests conducted must be submitted to the Commission within 60 days of the end of the test.

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
Oil and Gas Commission