

March 20, 2020

8120-2800-32640-02

Nicholas Haddow
Regulatory Specialist
AQT Water Management (Canada) Inc.
700 – 1816 Crowchild Trail N.W.
Calgary, AB, T2M 3Y7

Dear Mr. Haddow,

**RE: PRODUCED WATER DISPOSAL SPECIAL PROJECT APPROVAL; AMENDMENT #2
SPECIAL PROJECT CANCELLATION
AQT SUNRISE 7-24-78-17; WA# 35043
SUNRISE FIELD – CADOMIN FORMATION**

The subject well was drilled and completed into the Cadomin and Nikanassin formations in 2017. Approval for injectivity testing for the Cadomin formation was granted January 24, 2018 by Order 18-02-002. Approval for continued disposal was granted by Amendment #1 on March 8, 2018. Amendment #2 was issued April 30, 2019. The well was active as a disposal well from March 2018 until November 2019 with a cumulative injection volume of 102,310 m³. A reservoir pressure test ending in early January 2020 determined the well had reached the maximum approved formation storage pressure and that the Cadomin formation was no longer suitable for disposal operations. The Cadomin formation was zonally abandoned by cement squeeze and cement plug in February 2020. On March 20, 2020, AQT Water Management (Canada) Inc. indicated to the Commission via email 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 18-02-002 for the Sunrise field, Cadomin formation well AQT Sunrise 7-24-78-17 (WA# 35043) 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 Kathryn Archibald at (250) 419-4406 or the undersigned at (250) 419-4430.

Sincerely,



Ron Stefik, Eng. L.
Supervisor, Reservoir Engineering
Oil and Gas Commission