

January 28, 2020

9022-5000-32640-60

Sana Khokhar, P. Eng Reservoir Engineer Montney Implementation Team ConocoPhillips Canada PO Box 130, Station M 401 – 9 Avenue SW Calgary, AB T2P 2H7

Dear Ms. Khokhar,

RE:

OBSERVATION WELL DESIGNATION APPROVAL COP BLUEBERRY WEST 9-28-88-25 (WA# 35119) NORTHERN MONTNEY – MONTNEY 'A' POOL

BC Oil and Gas Commission (Commission) staff have reviewed the January 16, 2020, application from ConocoPhillips Canada (ConocoPhillips) seeking observation well designation for COP Blueberry West 9-28-88-25 (WA# 35119).

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 vertically in 2018 and the Montney formation was completed for the purpose of monitoring the reservoir and offset hydraulic fracturing activities. There are currently nine pressure gauges mounted on the casing which are being used to measure the reservoir pressure through perforations.

Approval of observation status is granted for COP Blueberry West 9-28-88-25 (WA# 35119), for the Montney formation, with the following requirement:

 Collect reservoir pressure measurements from the nine gauges on a quarterly basis and submit the reservoir pressure measurements to the Commission within sixty days of the measurement.

Any additional reservoir pressure tests conducted must also be submitted to the Commission as per sections 73(3) and 73(4) of the Drilling and Production Regulation.

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