

April 26, 2022

2020-4800-59240-07

Claude Rezk, MBA, PMP, P.Eng.  
Reservoir Engineering Manager  
Enercapita Energy Ltd.  
600, 435 – 4<sup>th</sup> Ave. SW  
Calgary, AB T2P 3A8

Dear Mr. Rezk:

**RE: CONCURRENT PRODUCTION SPECIAL PROJECT; AMENDMENT #1  
OTHER THAN NORMAL SPACING ORDER  
BOUNDARY LAKE NORTH FIELD – HALFWAY ‘T’ POOL**

The Commission has reviewed Enercapita Energy Ltd.’s application, dated April 4, 2022, requesting an amendment to the daily gas limit for the Concurrent Production approval for the Boundary Lake North field – Halfway ‘T’ pool.

The subject pool was discovered in August 2015 with the drilling of well Enercapita HZ N Boundary A13-06-88-014 (WA 31607), between the existing Halfway ‘H’ and ‘K’ pools. The single well pool began production in September of 2015, with cumulative production of  $10.3\text{e}^3\text{m}^3$  of oil and  $7.1\text{e}^6\text{m}^3$  of gas to-date.

The A13-6 well was re-completed with a 6-stage hydraulic fracture stimulation in January of 2022. This re-stimulation of the reservoir appears to have increased the remaining oil reserves and also resulted in increased production rates, causing the well to exceed the current daily gas limit of  $5\text{e}^3\text{m}^3$ . Post completion gas production rates of 9 – 15  $\text{e}^3\text{m}^3/\text{d}$  are at a GOR approximately similar to pre-fracture operations.

Considering the increased oil rate and reserves, and similar GOR, an amendment to the daily gas limit is appropriate and will ensure continued responsible production from the pool. Condition 2b) of the amended order sets the daily gas limit to 15  $\text{e}^3\text{m}^3$ . The area of the approval has also been corrected to include all 3 oil spacing areas intersected by the wellbore.

The following Orders are attached:

- 1) Order 17-07-001 Amendment #1 designating Concurrent Production for the Boundary Lake North field - Halfway ‘T’ pool as a Special Project under section 75 of the Oil and Gas Activities Act.
- 2) Order 17-07-001 - OTN Amendment #1 approving Other Than Normal Spacing under section 65.1 of the *Petroleum and Natural Gas Act* for the subject area and formation.

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

Attachments



IN THE MATTER of an application from Enercapita Energy Ltd. to the Commission dated April 4, 2022 for amendment to the Concurrent Production project approval.

**ORDER 17-07-001 Amendment #1**

- 1 Under Section 75(1)(a) of the *Oil and Gas Activities Act*, the Boundary Lake North field – Halfway ‘T’ pool is designated as a special project for the recovery of petroleum and natural gas utilizing Concurrent Production within the following area;

DLS Twp 88 Rge 14 W6M - Section 12 Lsds 1-8 & 11-14

- 2 Under section 75(2) of the *Oil and Gas Activities Act*, I specify the following:

- a) The project daily oil allowable is waived.
- b) The project daily gas limit is 15.0 e<sup>3</sup>m<sup>3</sup>/d.
- c) All produced gas must be conserved.

A handwritten signature in blue ink, appearing to read 'R. Stefik'.

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

DATED AT the City of Victoria, in the Province of British Columbia, this 26<sup>th</sup> day of April 2022.



IN THE MATTER of an application from Enercapita Energy Ltd. to the Commission dated April 4, 2022 for amendment to the Concurrent Production project approval.

**ORDER 17-07-001 Amendment #1 - OTN**

- 1 Under Section 65.1(2) of the *Petroleum and Natural Gas Act*, Other Than Normal Spacing is approved within the Boundary Lake North field - Halfway 'T' oil pool within the following area;

DLS Twp 88 Rge 14 W6M – Section 12 Lsds 1-8 & 11-14

- 2 Under section 65.1(3) of the *Petroleum and Natural Gas Act*, I specify the following:
  - a) the target area for an oil well completed within the project area is not nearer than 100 m to the sides of the Other Than Normal Spacing area,
  - b) an oil well completed outside the specified target area may be subject to an off-target production penalty,
  - c) oil wells drilled within the specified project area are not subject to spacing requirements.

A handwritten signature in blue ink, appearing to read 'R. Stefik', written over a light blue rectangular background.

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

DATED AT the City of Victoria, in the Province of British Columbia, this 26<sup>th</sup> day of April 2022.