

February 1, 2017

0400-4790-59240-09

Mr. Kelsey Whiting-Hewlett C.E.T.
Pengrowth Energy Corporation
Suite 2100, 222 – 3rd Avenue S.W.
Calgary, AB T2P 0B4

Dear Mr. Whiting-Hewlett:

**RE: PRESSURE MAINTENANCE WATERFLOOD SPECIAL PROJECT – TERMINATION
RESERVOIR PRESSURE TEST REQUIREMENT
BEATTON RIVER FIELD – HALFWAY “A” POOL**

In a Commission review of pressure maintenance waterflood projects, it came to our attention that production from the subject pool ceased in March 2008; however, water injection continued until February 2015.

A pressure maintenance waterflood project was approved for the Beatton River field Halfway “A” pool in 1963 (Order # 63-09-001). This pool has consisted of 11 producers and 7 injector wells. Cumulative oil production to March 2008 was 1,616.5 e³m³ resulting in a successful recovery factor of 47.1 per cent.


The last reservoir pressure test the Commission has on record for this pool was performed in 2007. Continuous injection after production terminated has resulting in a current pool pressure of unknown but potentially highly elevated value, a potential safety and environmental concern.

Pengrowth Energy Corporation is hereby required to **conduct a reservoir pressure test**, as per section 73 (2) of the Drilling and Production Regulation, on the well Pengrowth et al Beatton b-38-J/094-H-02 (WA # 0309), **by February 28, 2017**. This well was the last active injection well.

Due to the suspension of production and injection, OGAA Section 75 Order 63-09-001, pressure maintenance waterflood project for the Beatton River field Halfway ‘A’ pool, will be terminated as of February 15, 2017, unless this office is contacted prior to that date with valid reason why this should not occur.

Should you have any questions, please contact Petra Kriescher-Trudgeon at (250) 419-4415 or the undersigned at (250) 419-4430.

Sincerely,



Ron Stefik, EngL
Supervisor, Reservoir Engineering
Oil and Gas Commission