

August 27, 2024 6800-4800-32640-60

Rylan Zazula, P.Eng. Exploitation Engineer – BC South Canadian Natural Resources Limited 2500, 855 – 2nd St SW Calgary, AB T2P 4J8

Dear Rylan Zazula:

RE: OBSERVATION WELL DESIGNATION WITHDRAWAL

CNRL PEEJAY d-80-C/94-A-16 (WA# 1636) PEEJAY FIELD - HALFWAY FORMATION

The subject well was drilled and completed in the Halfway formation for the purpose of oil production in 1965. The well produced from 1965 until 2004, when it was suspended. This well was approved for Observation designation status November 9th, 2022, to monitor reservoir pressures in waterflood project Approval #66-09-001 in the subject formation. CNRL Unit #2 pressure maintenance project approval has been cancelled as CNRL decommissions conventional wells in this area.

The last reservoir pressure test conducted in the well was completed in April 2024 and CNRL has requested the withdrawal of the observation designation.

The observation well designation under section 2(7) of the *Drilling and Production Regulation* is hereby withdrawn for CNRL Peejay d-80-C/94-A-16 (WA# 1636), for the Halfway formation. The well will no longer be used to monitor reservoir pressure.

Should you have any questions, please contact Michelle Gaucher at (250) 419-4482 or the undersigned at (250) 419-4430.

Sincerely,

Ron Stefik, P.L. Eng.

Supervisor, Reservoir Engineering

BC Energy Regulator