

November 6<sup>th</sup>, 2024 6400-4800-32640-02

Kaylyn Schnell, P.Eng. Exploitation Engineer, BC North Canadian Natural Resources Limited 2500, 855 – 2<sup>nd</sup> St SW Calgary, AB T2P 4J8

Dear Ms. Schnell:

RE: PRODUCED WATER DISPOSAL SPECIAL PROJECT CANCELLATION CNRL ET AL HZ NIG a-A48-D/94-H-3 (WA# 29012)

NIG CREEK FIELD - HALFWAY FORMATION

The subject well was drilled and completed into the Montney formation in 2013, however due to casing integrity issues, no production occurred and the Montney zone was abandoned in February of 2015. The Halfway zone was subsequently completed for disposal, and disposal approval was granted in May 2015. Disposal into the Halfway occurred from 2015 to 2017, with a cumulative disposal volume of 34.9 e³m³, at which time reservoir pressure was measured to be above the approved maximum. The well was granted observation status to observe pressure dissipation in October of 2017 and pressure was measured at below the approved maximum in August of 2018. The latest reservoir pressure test was obtained in June of 2022. On July 10, 2024, CNRL communicated via email that they had no further plans for disposal or observation in the Halfway formation in the subject well.

Pursuant to the *Energy Resource Activities Act (ERAA)* section 75(2)(b), the Regulator may cancel, suspend or amend a designation (iii) if the Regulator considers that the designation is spent, or (iv) if the Regulator 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 15-02-009 in the Nig Creek field, Halfway formation well *CNRL* et al HZ Nig a-A48-D/94-H-3 (WA #29012) is hereby cancelled under section 75(2)(b) of ERAA. In accordance with Section 75(2)(b)(iii), the Regulator considers that the designation is spent.

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

**Energy Regulator**