



January 23, 2019

5420-8600-32640-02

Amanda Klein
Environment and Regulatory Advisor
Secure Energy Services
#3600, 205 5th Avenue SW
Calgary, AB T2P 2V7

Dear Ms. Klein,

**RE: NON-HAZARDOUS WASTE AND PRODUCED WATER DISPOSAL
SPECIAL PROJECT; RESERVOIR PRESSURE TESTING
SECURE E KOTCHO LAKE c-62-J/94-I-14; WA# 17797
PINE POINT FORMATION**

Approval for disposal of salt water was originally issued for the subject well, Pine Point formation, on September 14, 2005 in Order 05-02-006. On February 8, 2010, the well was approved for NHW disposal into the Pine Point formation under Order 05-02-006 Amendment #2. Amendment #3 was issued on November 21, 2014, bringing the approval order into alignment with current disposal well requirements.

The subject well was open-hole completed into the Pine Point formation in August 2004. Produced water disposal into this formation commenced October 2005, and non-hazardous waste disposal was added in February 2010. Cumulative disposal into the well has been over 450,000 m³ to-date. Due to the large fluid volumes and the age of the well, condition 2i) of the approval order requires reservoir pressure testing every 3 years.

As the required 2018 pressure test was not conducted, the Commission expects that a reservoir pressure test be conducted and submitted to the Commission before February 28, 2019. Secure Energy Services has scheduled this test to commence on January 24, 2019.

The validity of Special Project Order 05-02-006, Amendment #3, issued under Section 75 of the Oil and Gas Activities Act, is dependent upon the Well Permit Holder meeting the conditions of the Order. Future failure to meet the reservoir pressure testing requirement, or other Order conditions, will result in a regulatory review of the Order.

Should you have any questions, please contact the undersigned at (250) 419-4430 or Kathryn Archibald at (250) 419-4406.

Sincerely,

A handwritten signature in black ink, appearing to read 'R. Stefik', is written over a horizontal line.

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