

January 31, 2019

6230-4535-32640-60

Brittany Jorgensen, P. Eng
Exploitation Engineer
Canadian Natural Resources Ltd.
Suite 2100, 885 – 2nd Street SW
Calgary, Alberta, T2P 4J8

Dear Ms. Jorgensen,

**RE: OBSERVATION WELL STATUS WITHDRAWAL
CNRL ET AL MUSKRAT 5-14-87-18 (WA 9419)
MUSKRAT – BOUNDARY LAKE ‘A’**

The BC Oil and Gas Commission (Commission) has reviewed the observation well in the Muskrat field, Boundary Lake ‘A’ pool; CNRL et al Muskrat 5-14-87-18 (WA 9419) for compliance with approval conditions.

The Drilling and Production Regulation Part 1 defines an observation well as “a well or a portion of a well designated as an observation well under section 2 (7)”.

- 2 (7) An official may designate a well as an observation well if
- (a) the well is being used to monitor reservoir pressures or to obtain other formation information, and
 - (b) the well is not used to produce from, or inject or dispose of fluids into, a formation being monitored.

The subject well was drilled in 1995 and the Halfway formation was completed for the purpose of oil production, producing from 1995 to 2007. Observation designation was approved for the Halfway formation on May 14, 2014 with the condition that an annual reservoir pressure test be conducted. The most recent test on file for the well is dated July 2015.

The required pressure testing has not been conducted and the requirement to use the subject well to monitor reservoir pressures or to obtain other formation information is no longer being met. The observation well designation for CNRL et al Muskrat 5-14-87-18 (WA 9419) will be withdrawn as of February 28th, 2019 and the status will be updated to suspended oil observation.

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

Sincerely,



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