

June 24, 2020

Janpeter Lennie-Misgeld Senior Advisor, Legislation and Policy Office of the Regulator of Oil and Gas Operations 4th Floor, 5201-50 Avenue Yellowknife, NT X1A 3S9

**RE:** Information Request No. 3:

Application to Alter the Condition of a Well for the Abandonment of the Arrowhead River K-35 well (ACW-2019-016-CNRL-K-35-WID1991)

Dear Sir:

Canadian Natural Resources Limited (Canadian Natural) is responding to the Information Request email and attachments received June 12, 2020 from the Office of the Regulator of Oil and Gas Operations (OROGO) with the following information:

## 3.1 Production Potential of Open Hole Section

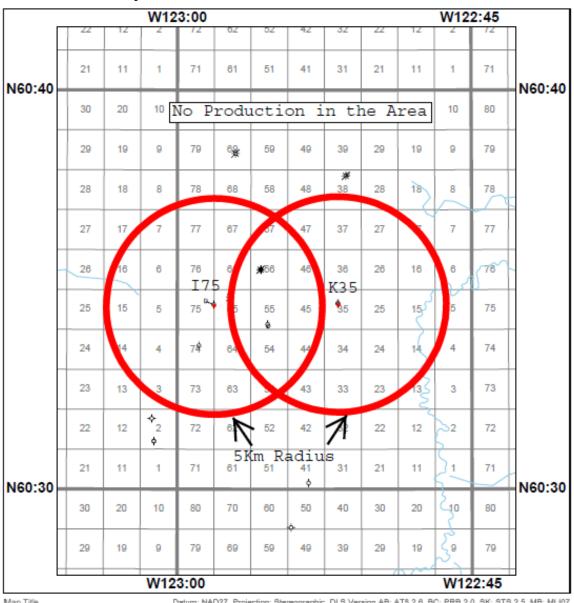
**Request:** Please submit detailed geological evidence, interpretation and supporting information to confirm if any geological zone in the open hole section could be impacted (e.g. potential for production) if conventional and/or other stimulation techniques (e.g. hydraulic fracturing) were to be utilized for future oil and gas production within a 5 km radius of the well. Supporting information should include an assessment of offset wells, if any, that have produced from the geological formations in the open hole section of the well.

Response: To enhance the detailed review supplied with IR2 please find below a production map showing no production within a 5 km radius of well centre for either K-35 or I-75. The production area of investigation for both K-35 and I-75 includes the same list of wells for evaluation; N-65, F-56 and C-55. Please refer to Table 1 below for a summary of the geological assessment and stimulation / testing results by well and formation. The table clearly shows the Landry is the only formation with aerial extensive porosity, and that porosity streaks or stringers in other formations are localized near wellbore, and have no potential. For the K-35 well specifically the additional information confirms that there are no hydrocarbons or discrete zones within the wellbore, and there are no exploitable hydrocarbons within a 5 km radius, regardless of stimulation technique<sup>[1]</sup>. CNRL's proposed abandonment program is therefore in compliance with Section 56 of the OGDPR.

[1] – Includes hydraulic fracturing with proppant

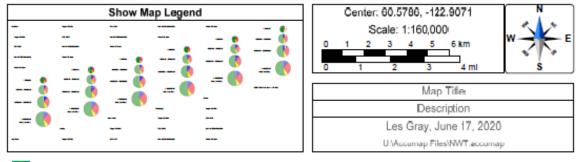


Figure 1. Production map



Map Title

Datum: NAD27 Projection: Stereographic DLS Version AB: ATS 2.6, BC: PRB 2.0, SK: STS 2.5, MB: MLI07



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## **Canadian Natural**

**Table 1.** Summary of geological assessment and stimulation / testing results by formation

	I-75	N-65	F-56	C-55	K-35
UWI	300/I-75-60.40-122.45	300/N-65-60.40.122.45	300/F-56-60.40-122.45	300/C-55-60.40-122.45	300/K-35-60.40-122.45
License	NT001981	NT001833	NT001978	NT001979	NT001991
Licensee	CNRL	Paramount	CNRL	CNRL	CNRL
Completion Typ		Cased / Perforated	Cased / Perforated	Openhole	Openhole
Completion Typ	Ореннов		MATIONS	Ореннов	Ореннове
		Porous Streaks			
Slave Point	Tight	Acid Wash	Porous Streak No Potential	Tight	Tight
		Acid Squeeze			
		Flow Test			
		32 - 165 e3m3/d			
		High water production			
		High depletion			
		PTA boundary = 25-45 m			
		Localized			
		No Commercial Potential			
Watt Mountain	Tight	Anomaly/fault	Tight	Anomaly/fault	Tight
Watt Mountain	1 igitt	Porous Streak	Porous Streaks	Anomary/rault	1 igitt
Sulphur Point	Porous Stringers Weak gas show Nil Reservoir No Potential	Acid Wash	Perforated 37 metres		Tight
		Acid Squeeze	Acid Wash		
		Swab Test	Acid Squeeze	Tight	
		Water production	Swab / Flow Test		
		Gassy Fluid	Trace Gas, TSTM		
		No Potential	No potential		
Keg River	Tight	Tight	Tight	Tight	Tight
Headless	Tight	Porous Streaks	Tight	Tight	Tight
		Acid Wash			
		Acid Squeeze			
		Acid Fracture			
		Swab / Flow Test			
		Trace Gas, TSTM			
		Water production			
		No Potential			
Landry	Porous		Porous	Acid Wash Acid Squeeze Swab Test	Porous
	No Stimulation	Porous No Test	Acid Squeeze Swab / Flow Test <5 e3m3/d 99% drawdown  Acid Squeeze Swab Test No Hydrocarbons 100% water		Acid Wash
	Flow Test				Unable to Squeeze Swab / Flow Test
	125 e3m3/d				
	70% drawdown			No gas, No inflow	
	Depleting			100% drawdown	
	No Commercial Potential			Water Inj. Test >1000 m3/d	No potential
	1.10 Commercial i otential				1 to potential
Arnica	NA	Tight	Tight	Tight	Tight
	1-1	15	15	1 · · · · · · · · · · · · · · · · · · ·	5

If you have any questions, please contact the undersigned at Ryan.N.Munro@cnrl.com; or at (403) 386-6538.

Yours truly,

CANADIAN NATURAL RESOURCES LIMITED

Ryan Munro, P.Eng.

Manager, Abandonment Engineering