

Pelican Lake SAGD Pilot Approval 11469B March 2013 – March 2014 Update

AEROffices
April 2, 2014.

www.cenovus.com

cenovus
ENERGY

Disclaimer

This Cenovus Pelican Lake SAGD Pilot March 1, 2013-February 28, 2014 Update ("Update") is prepared and submitted pursuant to regulatory requirements promulgated by the Energy Resources Conservation Board under its Directive 054 dated October 15, 2007. The contents of this Update are not intended to be, and may not be relied upon by any person, company, trust, partnership or other entity ("Person") for the purpose of making any investment decision, including without limitation any decision to purchase, hold or sell any securities of Cenovus Energy Inc. or any of its affiliates ("Cenovus").

Cenovus expressly disclaims, and makes no representation or warranty, express or implied, with respect to any of the information made available in this Update where such information is used by any Person for the purposes of making any investment decision as prohibited by this disclaimer, and none of Cenovus and its affiliates, and their respective officers, directors, employees, agents, advisors and contractors shall have any liability to any Person in respect thereof.

Pelican Lake SAGD Pilot

Introduction and Overview

- Introduction
- Subsurface Issues Related to Resource Evaluation and Recovery
 - Directive 054, Section 3.1.1
- Surface Operations, Compliance, and Issues Not Related to Resource Evaluation and Recovery
 - Directive 054, Section 3.1.2

Pelican Lake SAGD Pilot

Subsurface Issues: Table of Contents

1. Brief Background of the Scheme
2. Geology / Geoscience
3. Drilling and Completions
4. Artificial Lift
5. Instrumentation in Wells
6. Seismic
7. Scheme Performance
8. Future Plans

Brief Background

Subsurface Subsection 1

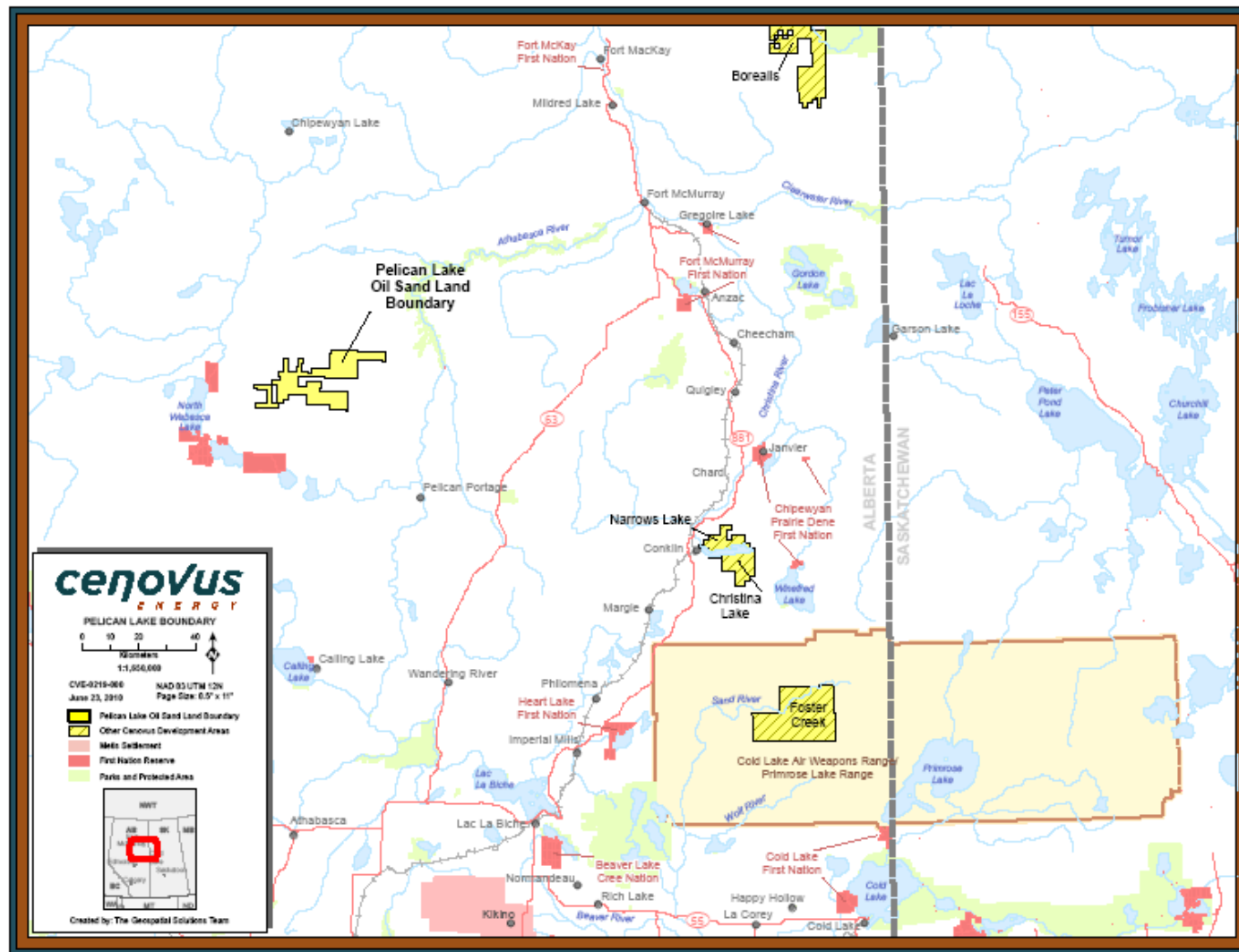
Pelican Lake SAGD Pilot
Approval 11469B

March 1, 2013 – February 28, 2014 Annual Performance

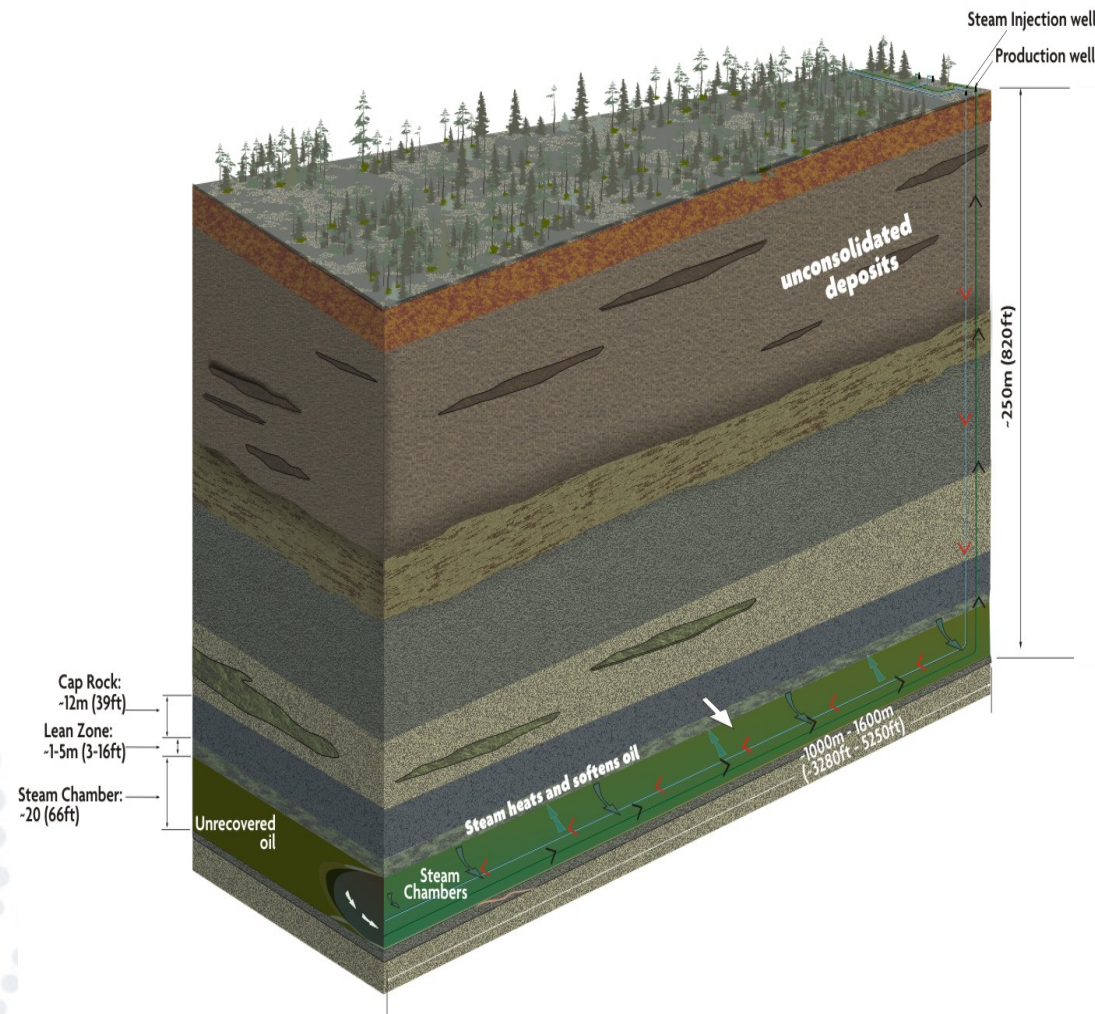
www.cenovus.com

cenovus
ENERGY

Pelican Lake SAGD Pilot Brief Background

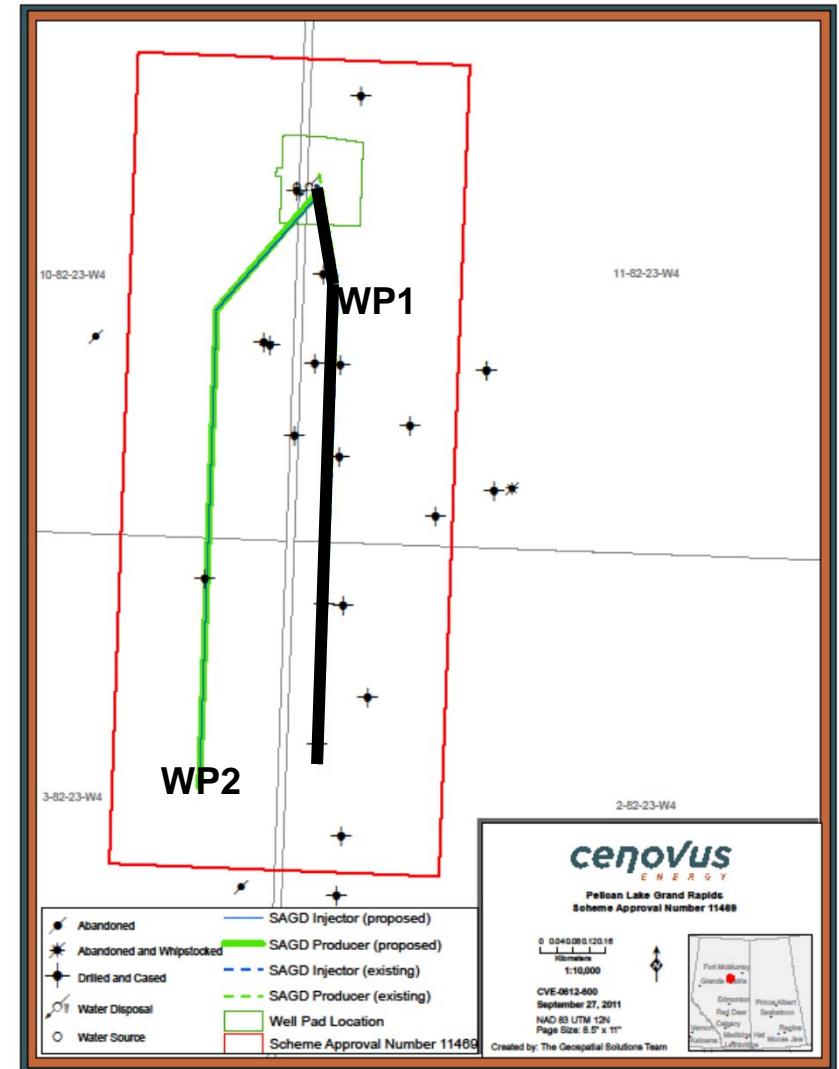


Pelican Lake SAGD Pilot Illustration of Recovery Process



Pelican Lake SAGD Pilot Project Overview

- SAGD Pilot to evaluate large resource base of ~ 5 Billion barrels OBIP
- 100% WI
- Other operations within the region
 - Cenovus and Canadian Natural operate enhanced recovery schemes in the Wabiskaw formation
 - Laricina commercial Demo project (CDP) 5,000 bbls/d approved Oct 2010. with Development in the Grand Rapids 'A' to the north
 - Cavalier has submitted a 10,000 bbl/d Grand Rapids 'A' In-situ scheme application in November 2012



Pelican Lake SAGD Pilot

March 1, 2013 – February 28, 2014 Project Milestones

- July 2013 - Disposal well drilled
- Aug 2013 - Facility work completed to remove constraints
- Aug 2013 - P01 averaged 70 m³/d oil
- Dec 2013 - Steam chamber core drilled (analyzed January 2014)
- Jan 2014 - 4D seismic shot
- Feb 26 2014 - Disposal well approval issued

Geosciences

Subsurface Subsection 2

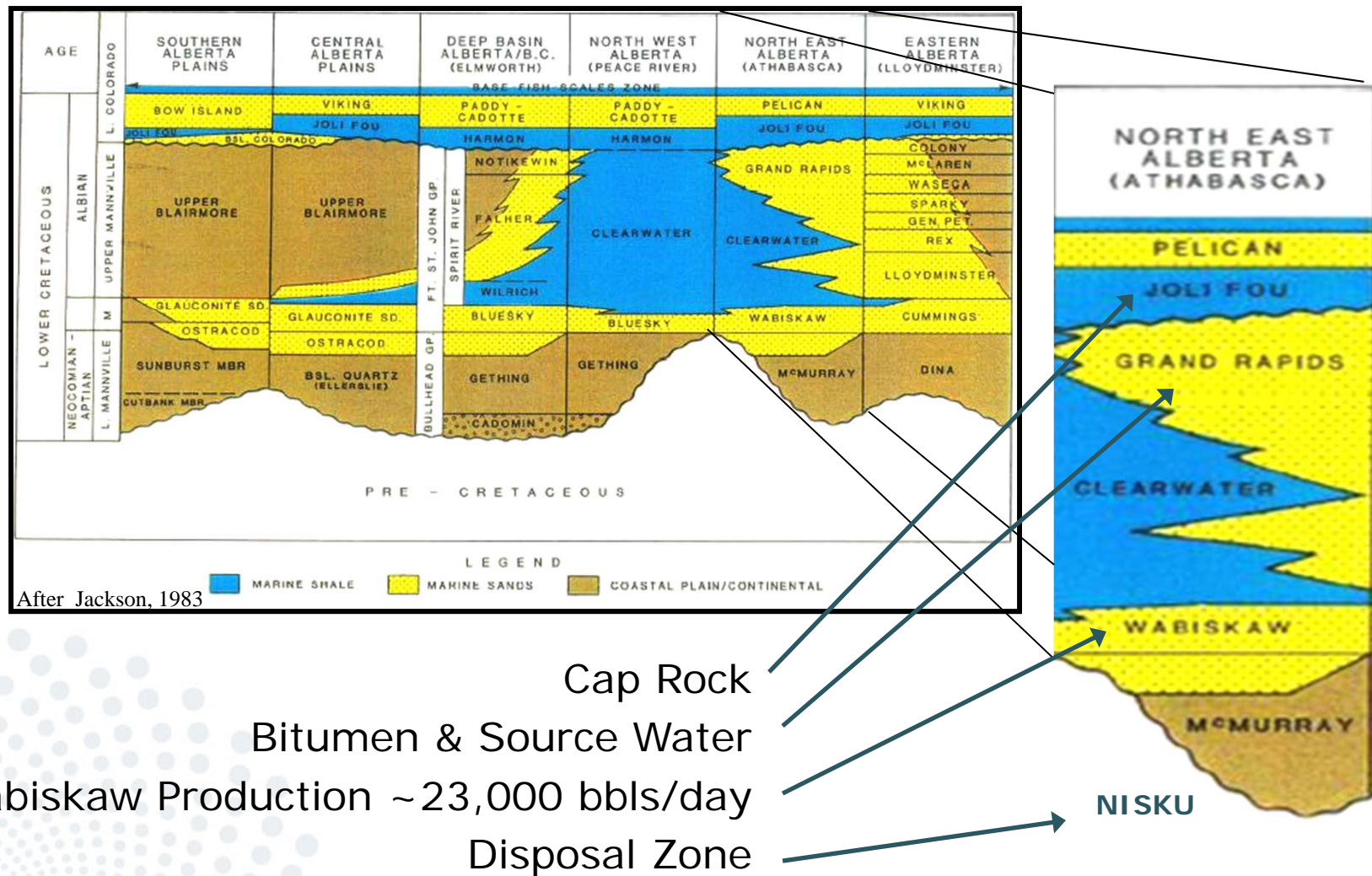
Pelican Lake SAGD Pilot
Approval 11469B

March 1, 2013 – February 28, 2014 Annual Performance

www.cenovus.com

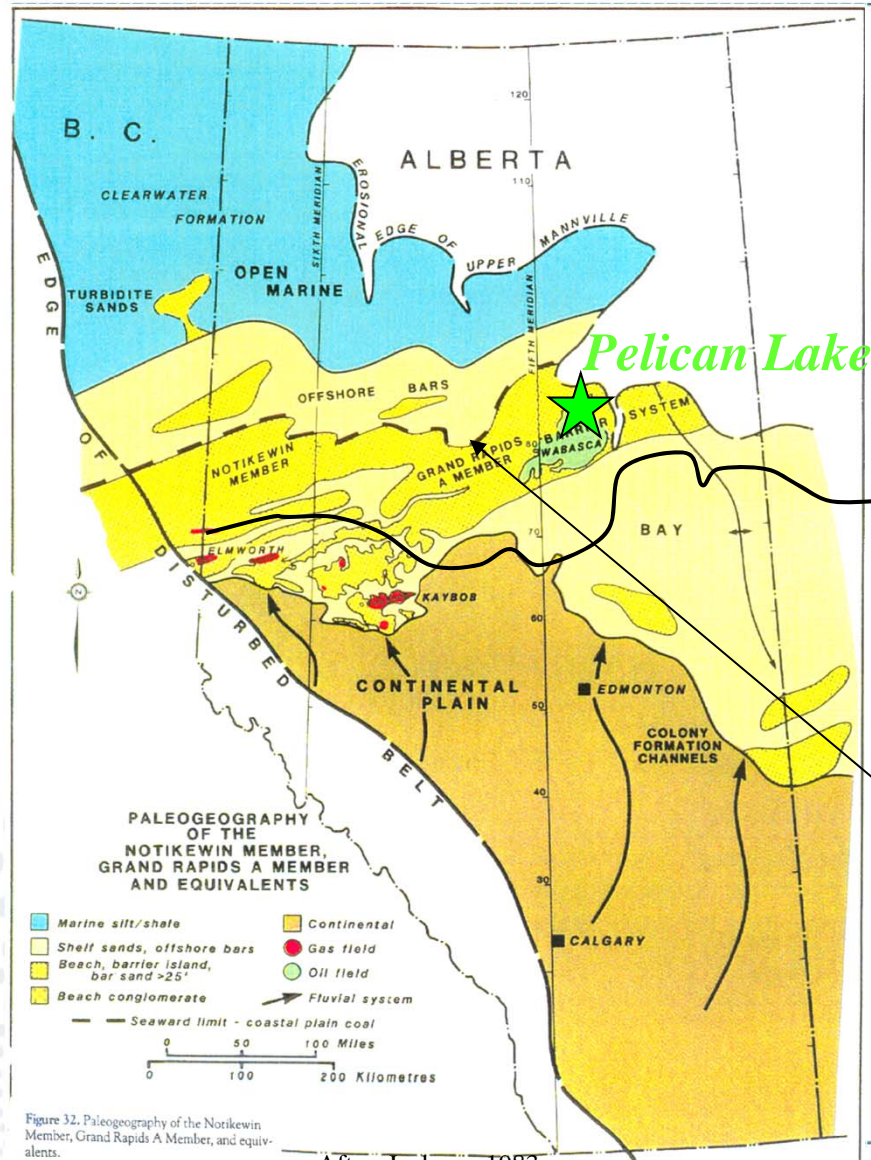
cenovus
ENERGY

Pelican Lake SAGD Pilot Stratigraphic Correlation



Pelican Lake SAGD Pilot

Paleogeography - Grand Rapids 'A' member



After Jackson, 1983

- Depositional environment - prograding shoreface (marine sediments forming shoreline sandstones)
- Very fine to medium grained Quartzose sand with minor feldspar, chert, muscovite and biotites
- Aerially extensive 10m+ thick bar sands

Shoreline

Subsection 3.1.1 – 2)

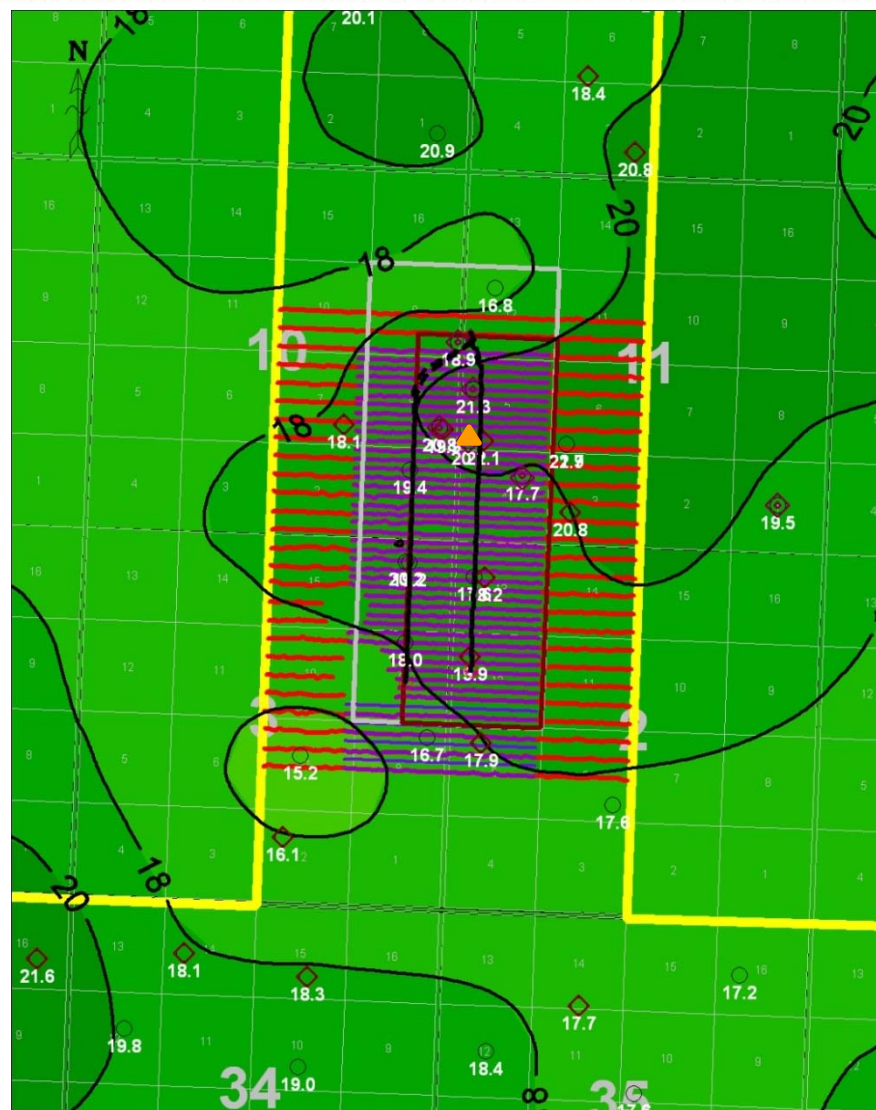
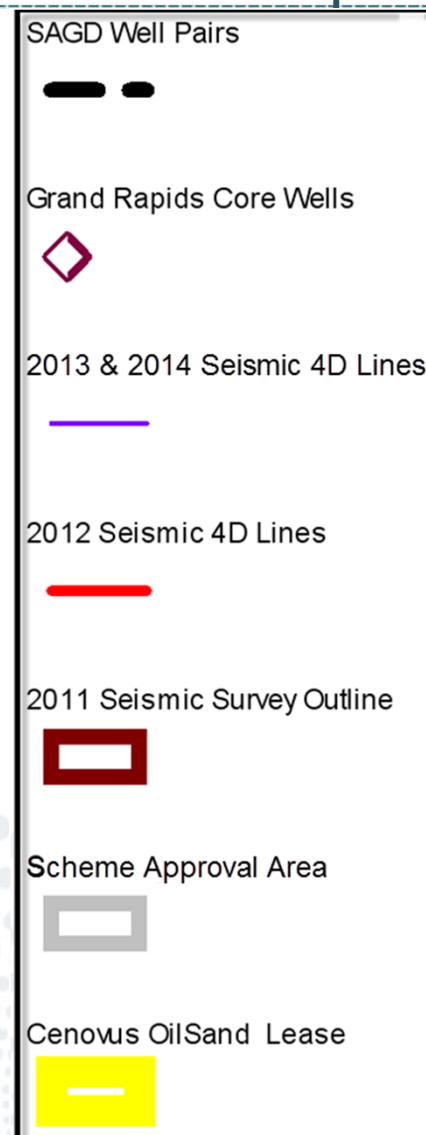
Pelican Lake SAGD Pilot

Summary of Reservoir Properties

Base of Grand Rapids 'A'	357-363 m Subsea
Average Gross Thickness	23 m
Average SAGD Pay Thickness	18 m
Average Porosity	35 %
Average Water Saturation	46 % (Gross)
	38 % (SAGD Pay Zone)
Average Permeability	2.9 D
OBIP	8.0 X10 ⁶ m ³ (50.3 MMbbbls)
Oil Viscosity	1,000,000 cp+
Oil Gravity	7.5-8.5 API
Initial Reservoir Pressure	1200 kPa

Pelican Lake SAGD Pilot

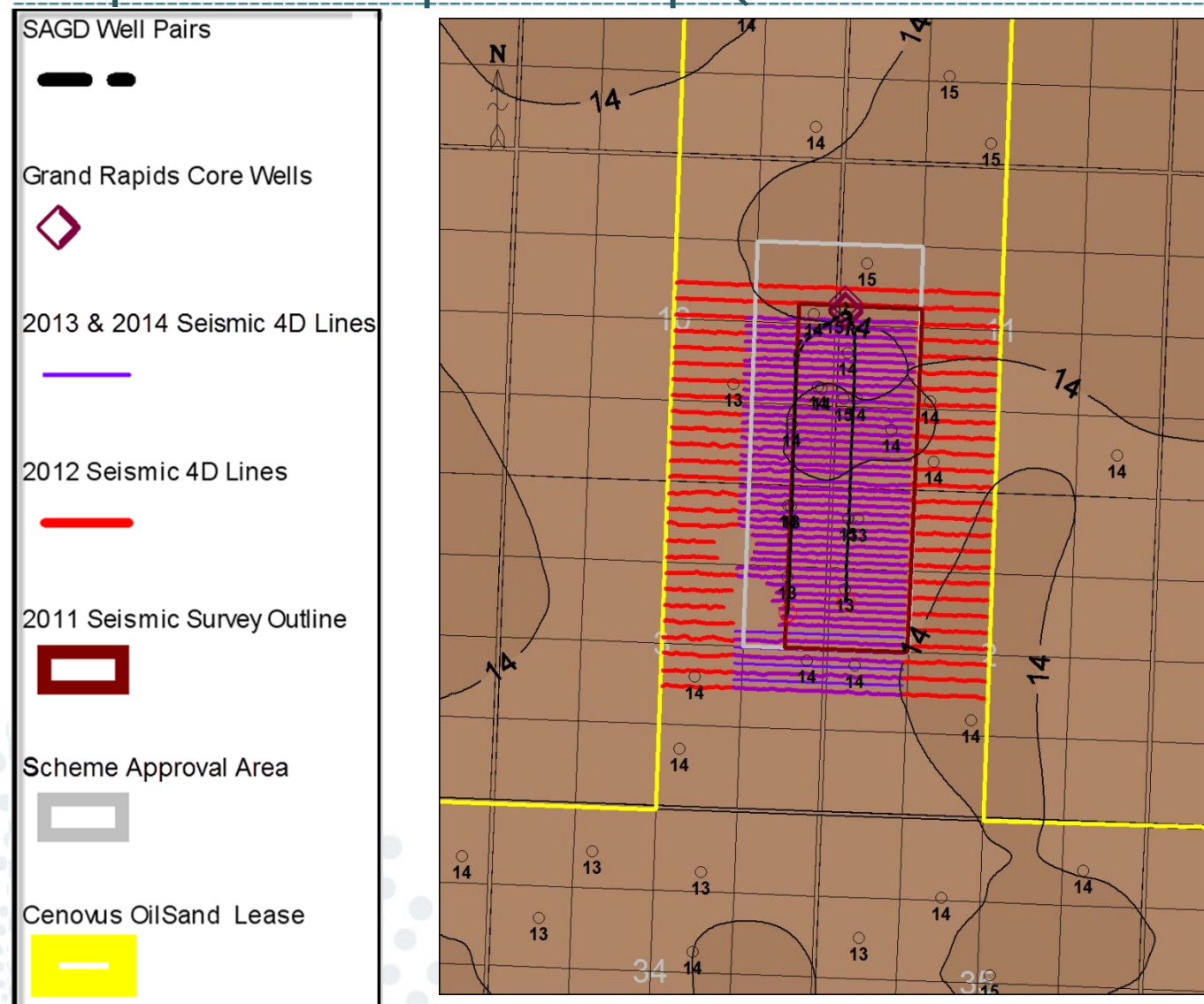
Grand Rapids 'A' SAGD Pay Isopach Map



▲ = Denotes Steam Chamber core location .
(1AA/05-11-82-23W4)

Pelican Lake SAGD Pilot

Cap Rock Isopach Map (Joli Fou Formation)



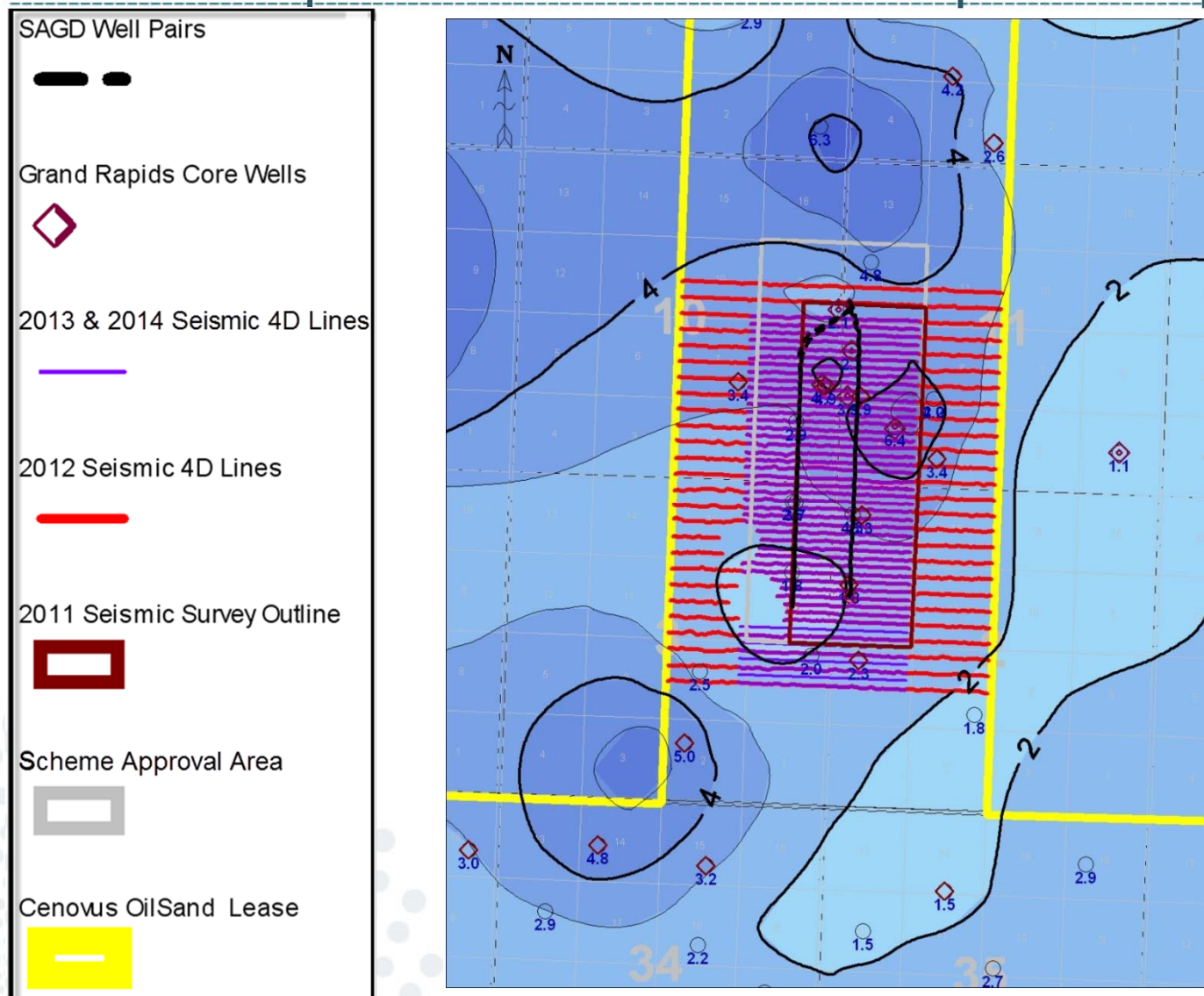
www.cenovus.com

Subsection 3.1.1 – 2) c)

cenovus
ENERGY

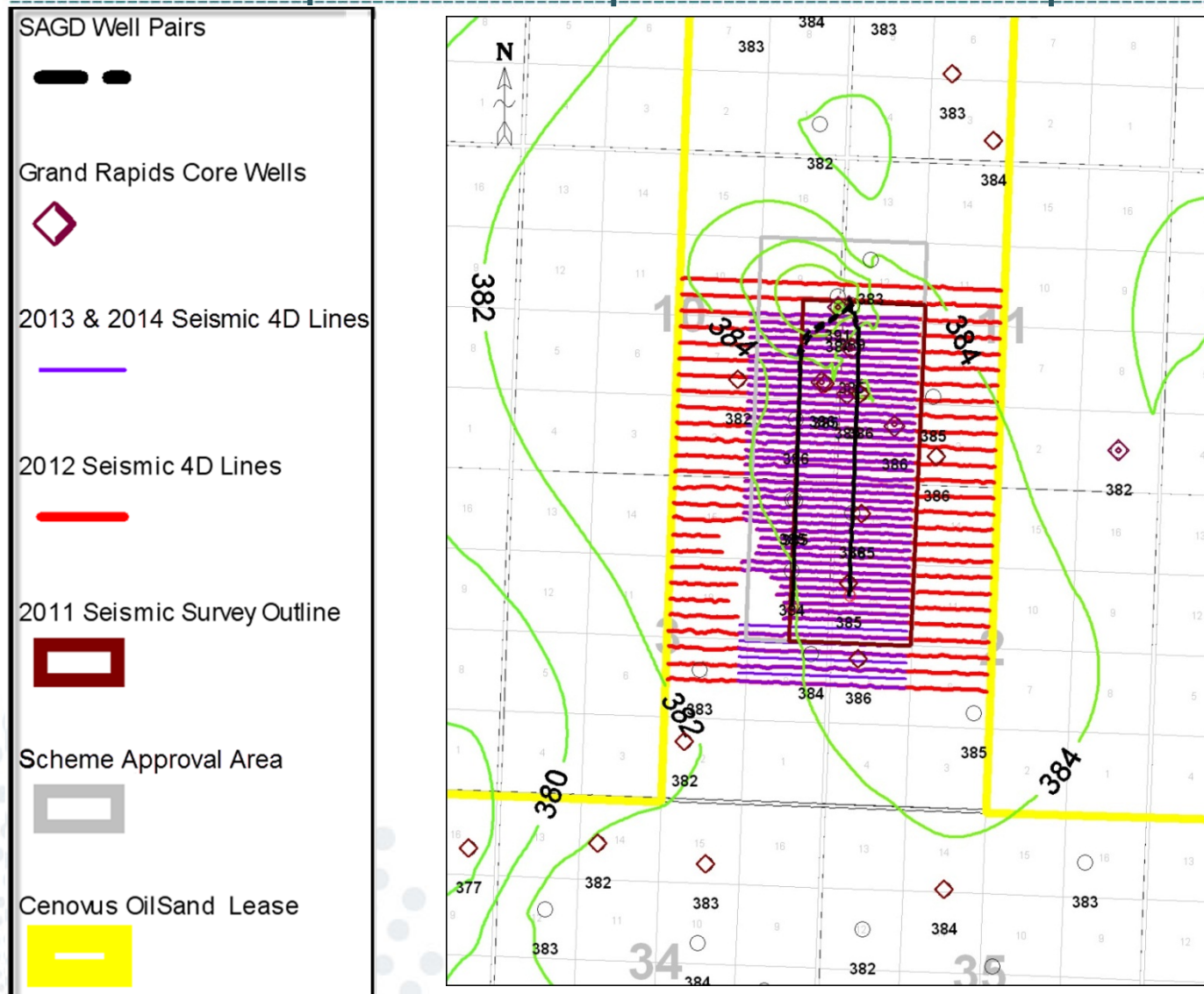
Pelican Lake SAGD Pilot

Grand Rapids 'A' Lean Zone Isopach Map

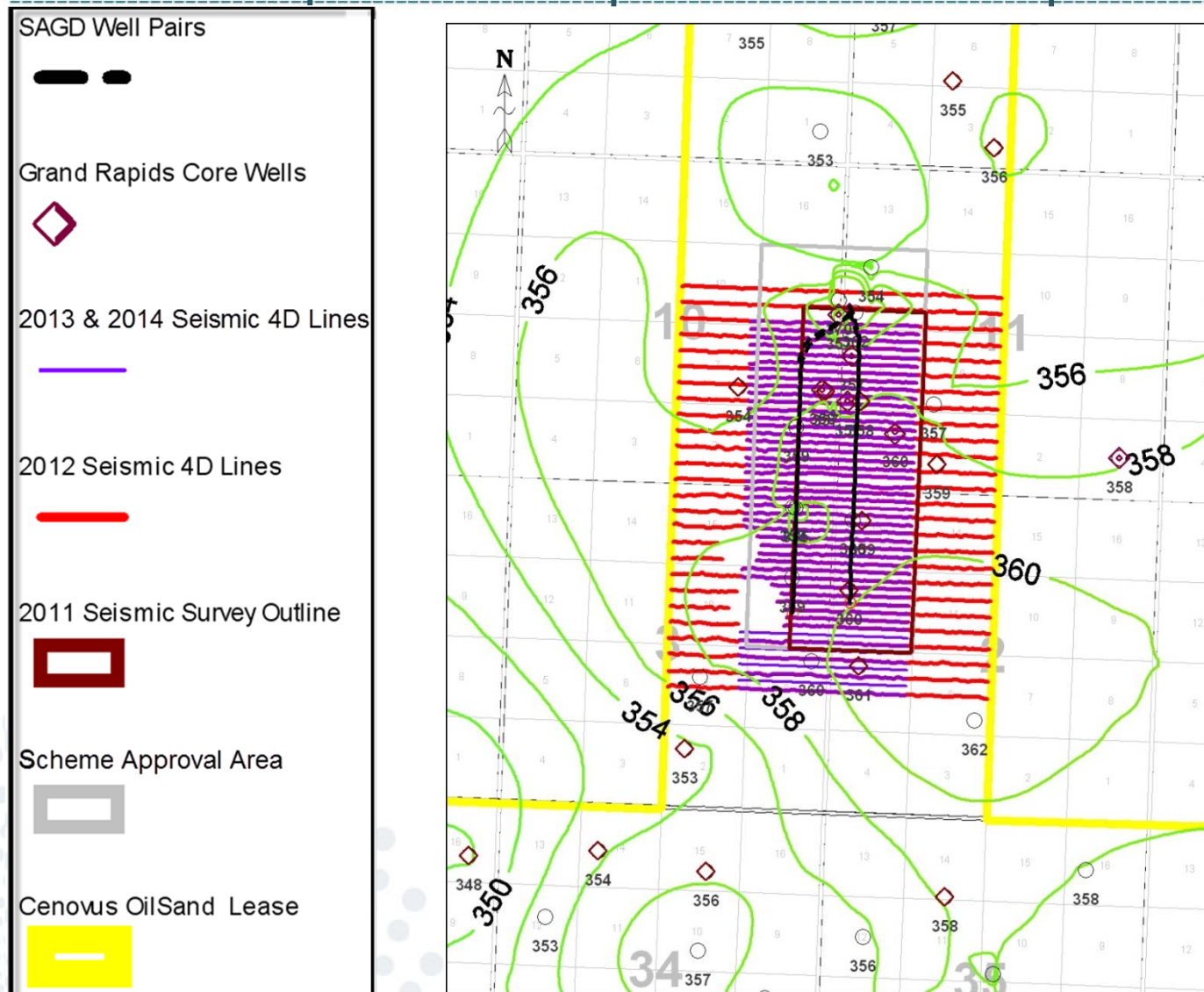


Pelican Lake SAGD Pilot

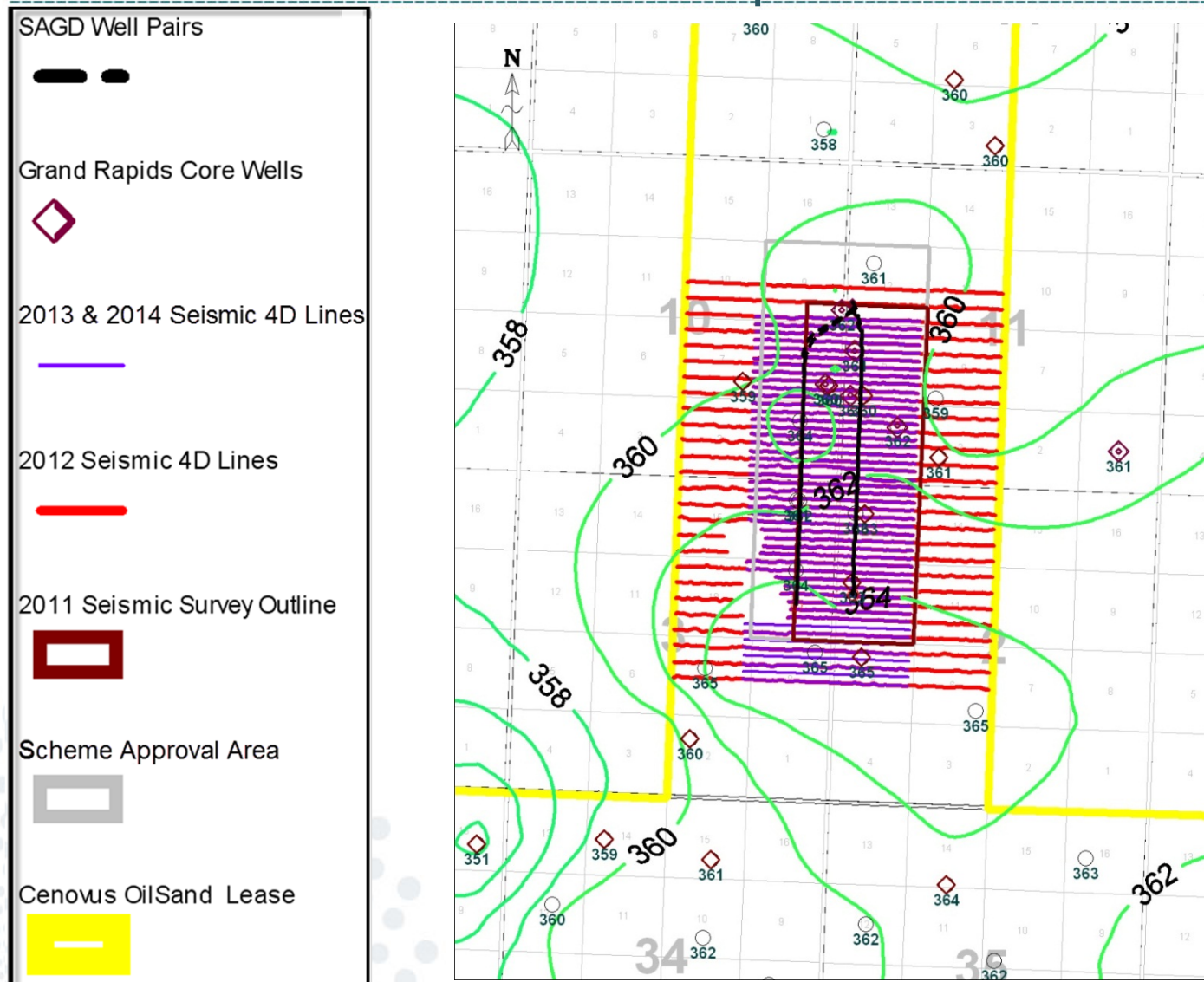
Grand Rapids 'A' Top Structure Map



Pelican Lake SAGD Pilot Grand Rapids 'B' Top Structure Map



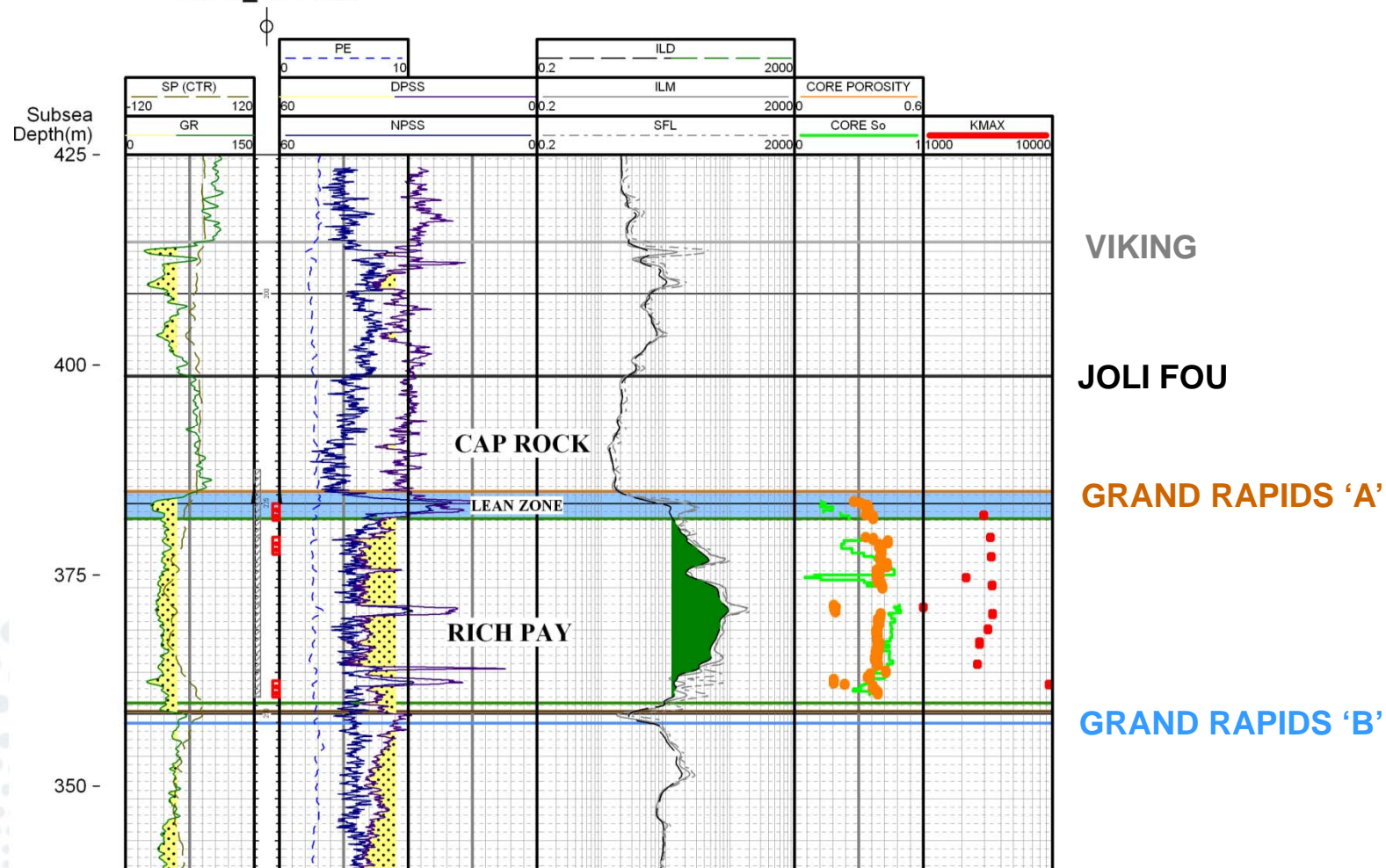
Pelican Lake SAGD Pilot SAGD Base Structure Map



Pelican Lake SAGD Pilot Type Log

00/05-11-082-23W4/0

ELEV_KB : 609



CENOVUS ENERGY INC.

RIG_DATE : 2/25/2008

TD : 335

www.cenovus.com

Subsection 3.1.1 – 2) e)

Pelican Lake SAGD Pilot

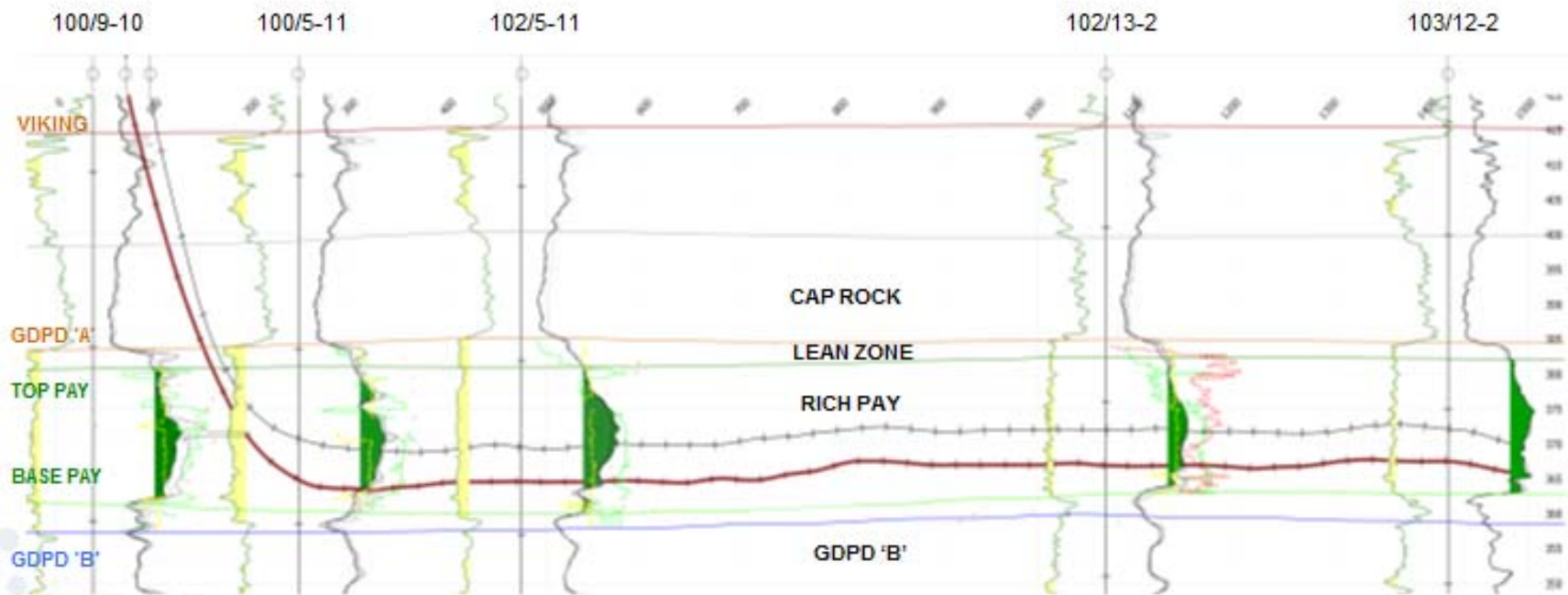
26P01/I01 horizontal well paths

Shore-face Deposit

- Depositional environment is ideal for SAGD. Sands are laterally and vertically continuous and predictable.

Bitumen deposit within Regional Grand Rapids 'A' Aquifer

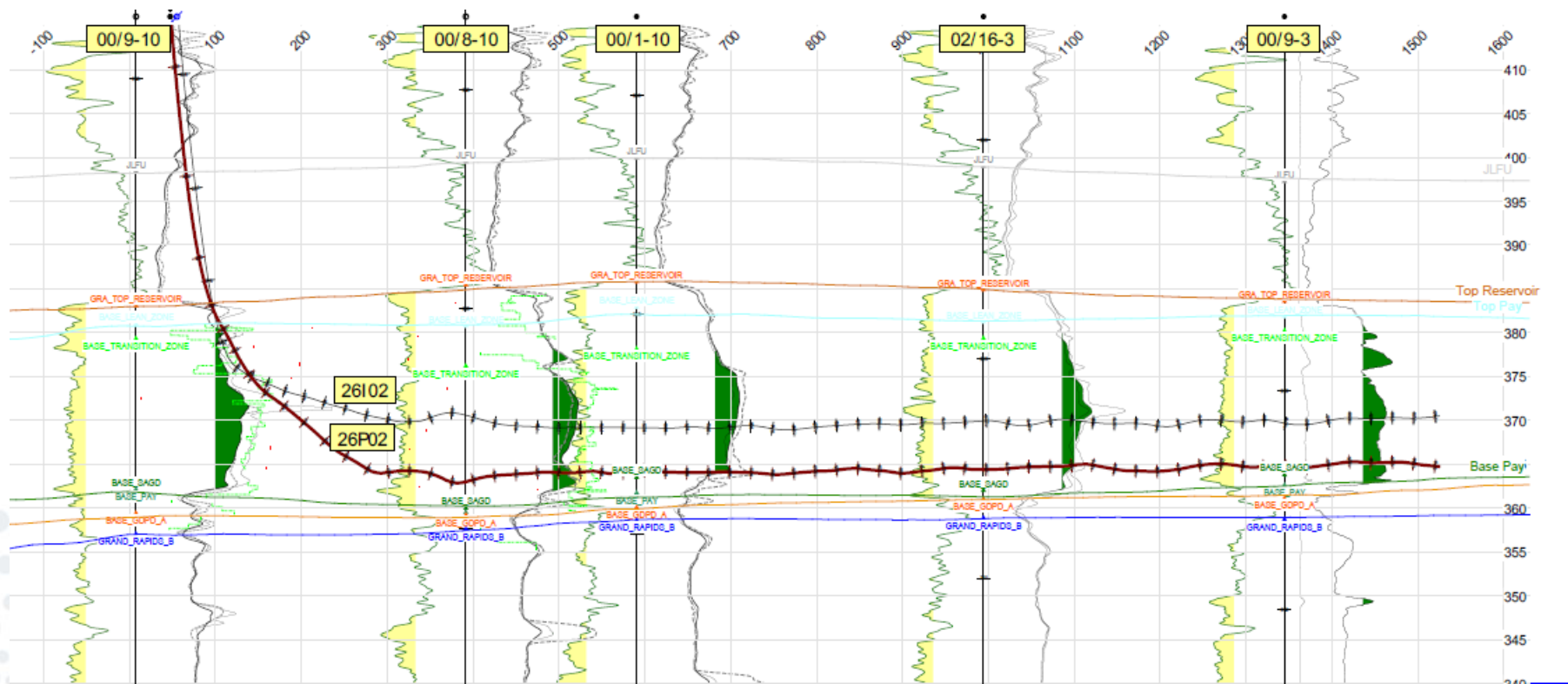
- Non saline ground water
- Variability in water saturations within the resource



Pelican Lake SAGD Pilot

26P02/I02 horizontal well paths

Wells 26P02, 26I02



Pelican Lake SAGD Pilot Surface Heave Monitoring (InSAR)

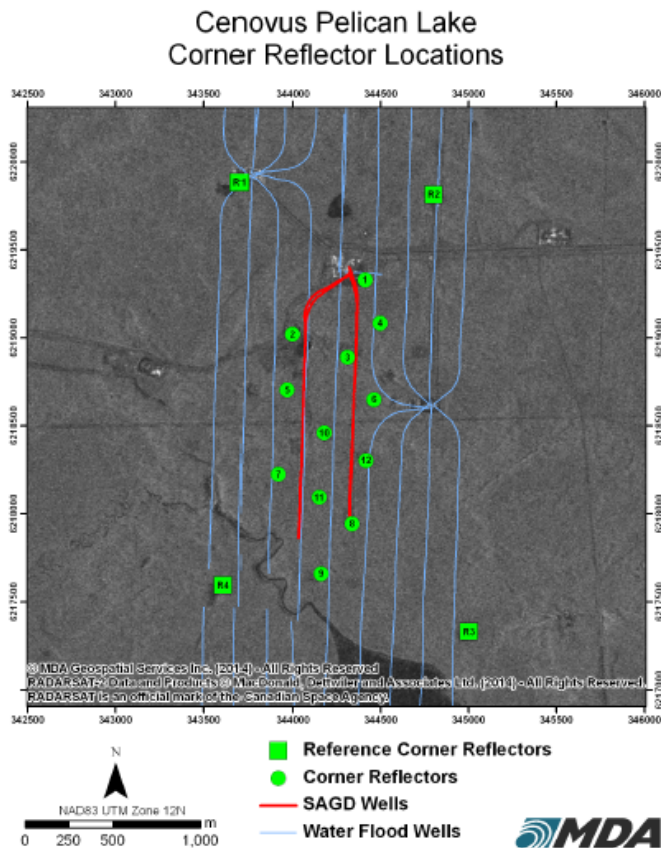


Figure 1: Corner Reflector Locations at Cenovus Pelican Lake, Alberta. Well layouts provided by Cenovus in 2012 and 2013.

- Acquired 15 RADARSAT-2 scenes in 2013 the first sign of change – March 26, 2013
- Less than 4 mm of heave throughout 2013

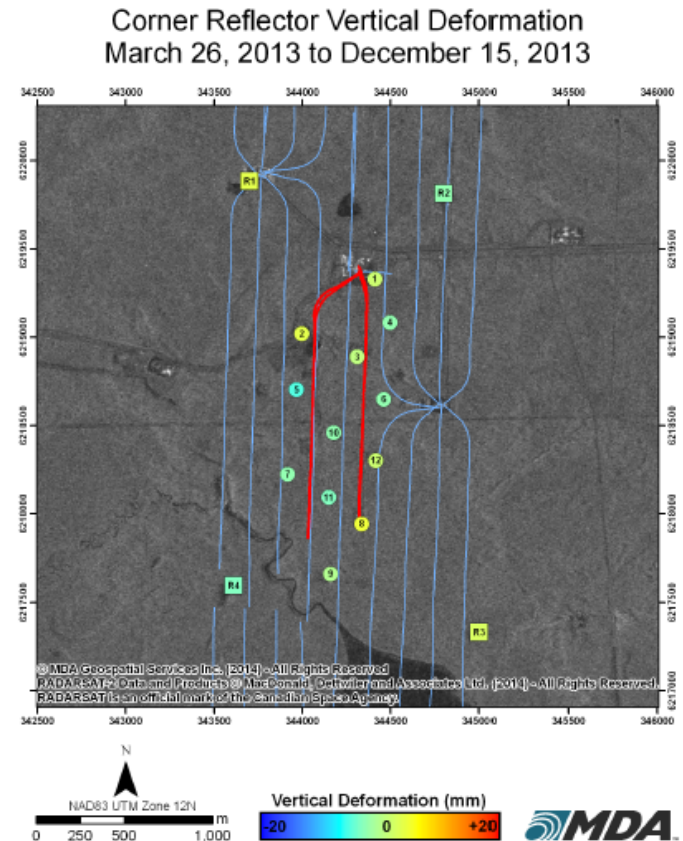
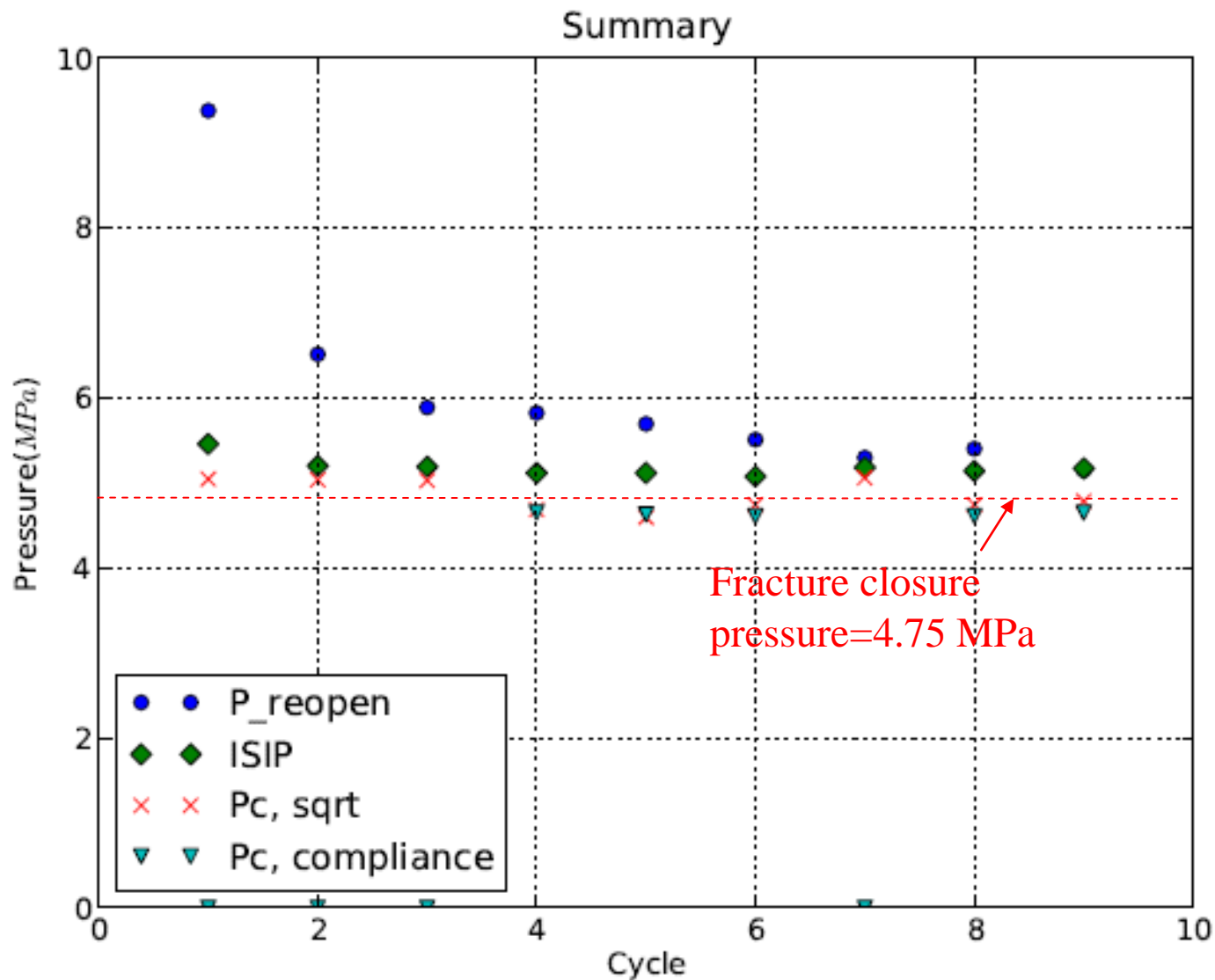


Figure 3: Cumulative corner reflector vertical deformation: March 26, 2013 to December 15, 2013.

Pelican Lake SAGD Pilot

Cap Rock Integrity - Joli Fou Fm 103/06-11-082-23 W4M (221 mKB)



Drilling and Completions

Subsurface Subsection 3

Pelican Lake SAGD Pilot
Approval 11469B

March 1, 2013 – February 28, 2014 Annual Performance Presentation

www.cenovus.com

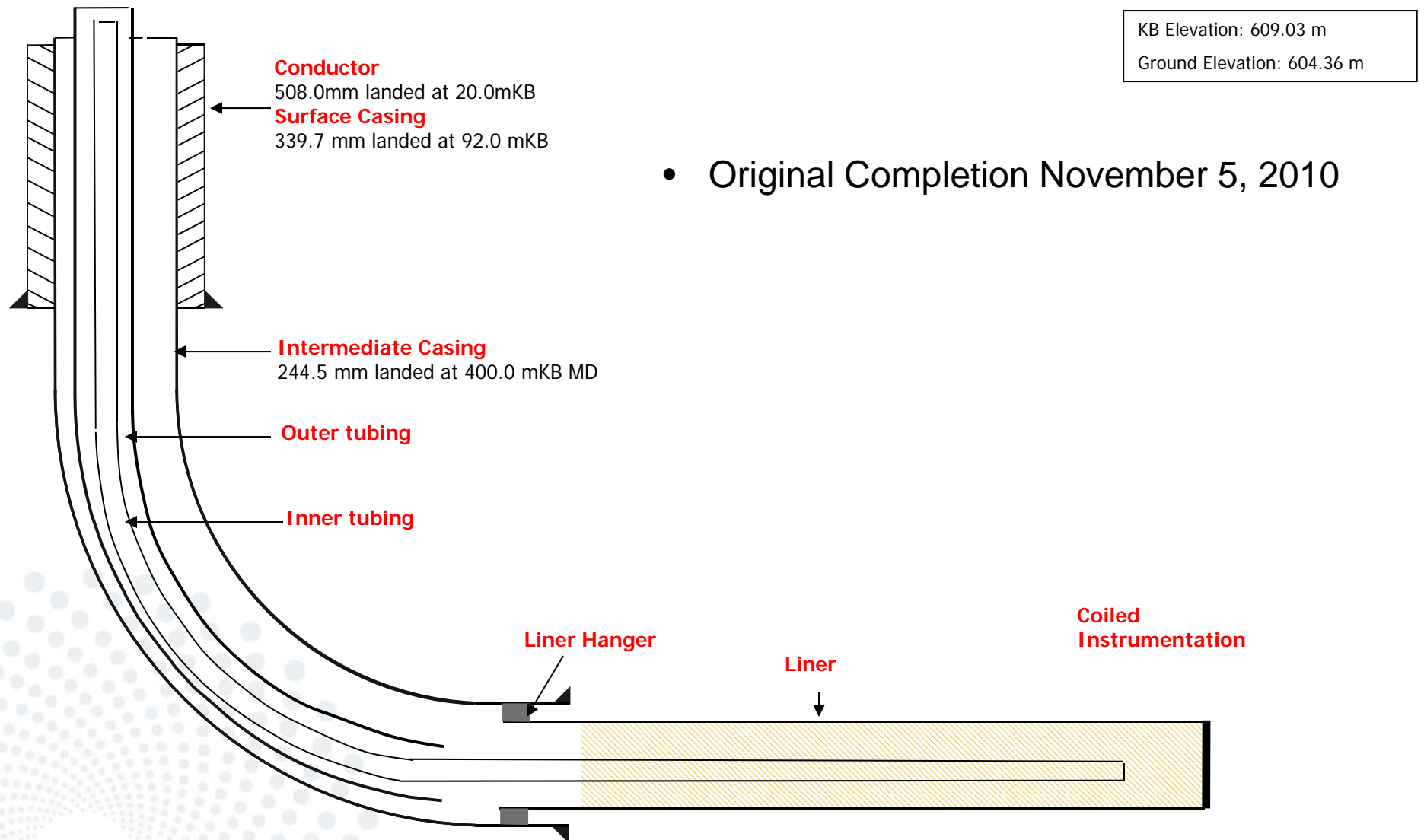
cenovus
ENERGY



- Ground water observation wells
not illustrated on map
- 100/04-27-82-22
- 1F1/13-07-82-22
- 16-07-82-22 (camp 1 water source well)

Subsection 3.1.1 – 3)

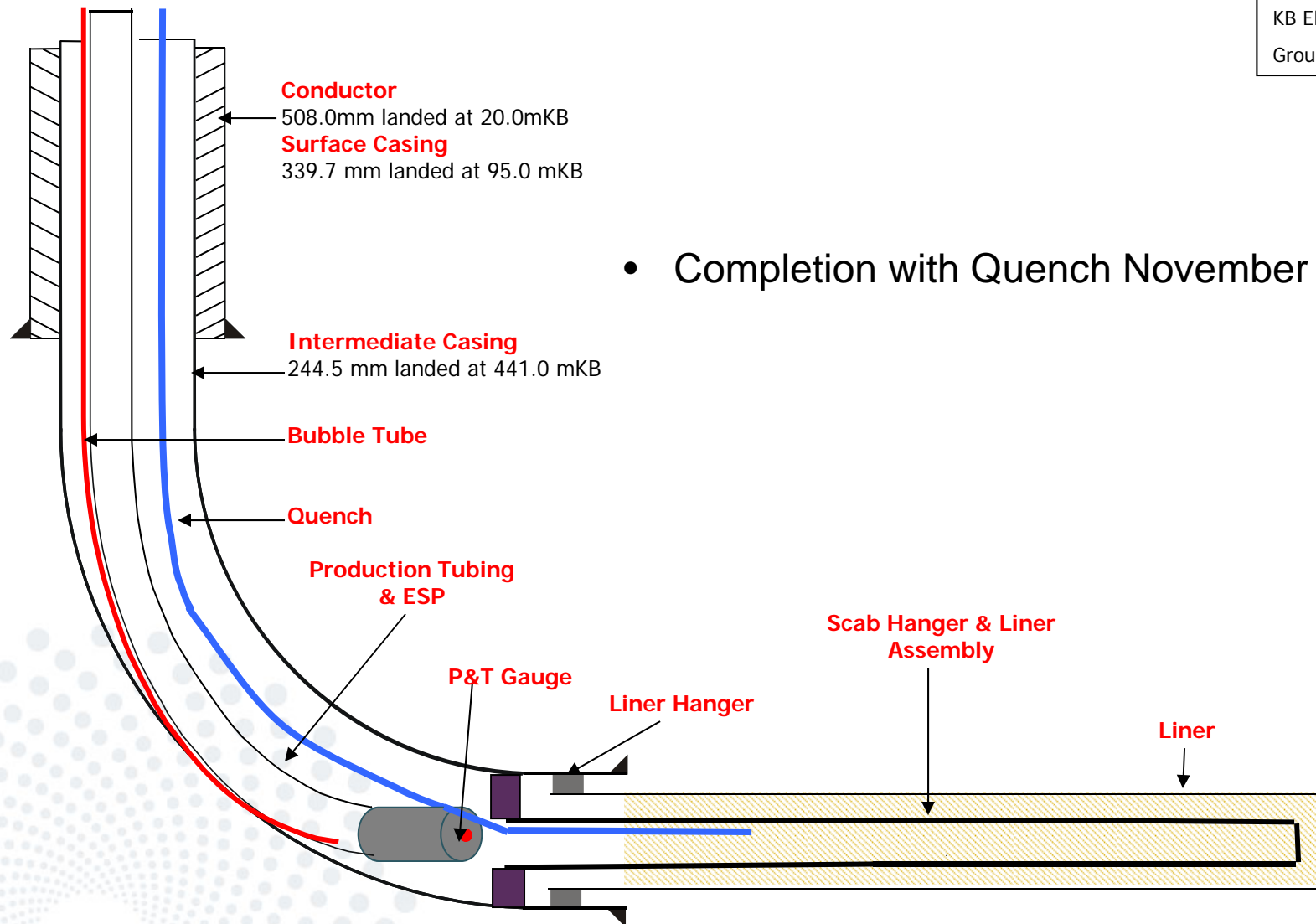
26I01 Completion



26P01 Completion with Downhole Quench (February 2013 – March 2014)

KB Elevation: 609.95 m
Ground Elevation: 604.95m

- Completion with Quench November 11, 2012

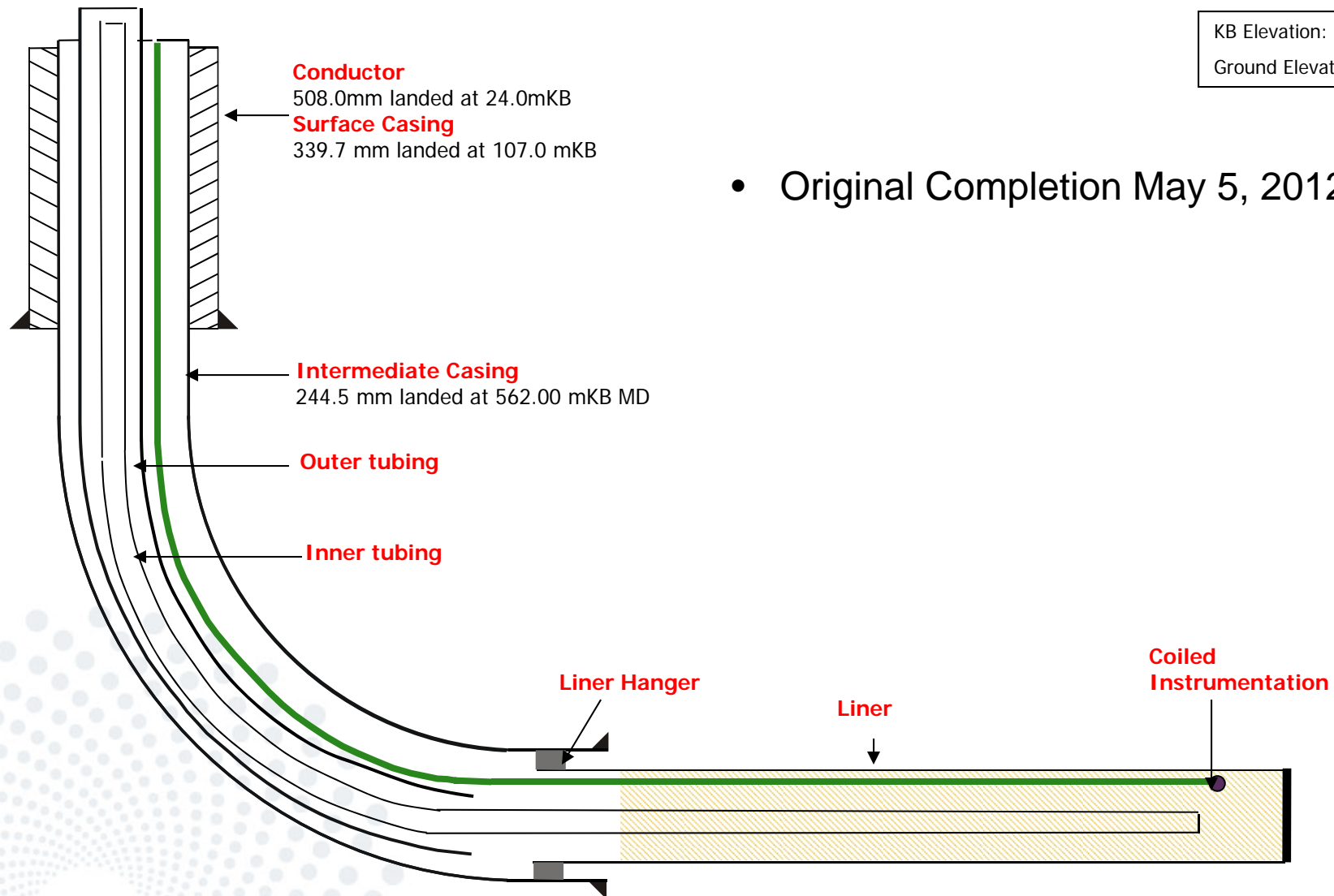


26P01 Downhole Quench (February 2013 – March 2014)

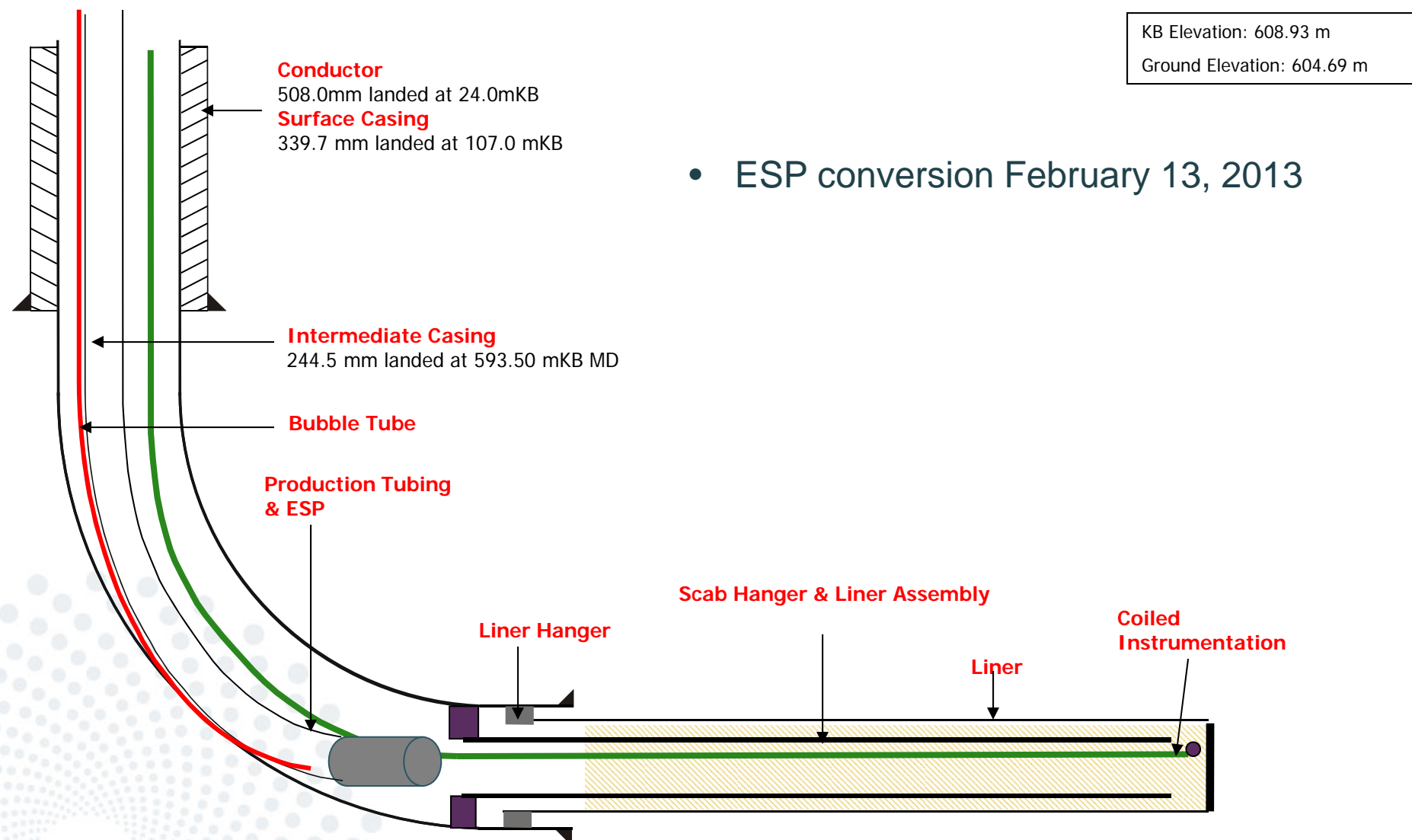
P01 Downhole Quench

- Quench line installed Nov 11, 2012
- Quench line 1 ¼" coil landed ~ 200 m past the pump intake
- The theory is that by injecting cold fluid past the pump it helps pump efficiency by reducing the saturation conditions at the pump reducing the amount of steam at pump intake
- The quench was used intermittently throughout the year based on pump behavior
- The injection of quench fluid downhole increased pump stability and efficiency by allowing for increase in production

26102 Completion



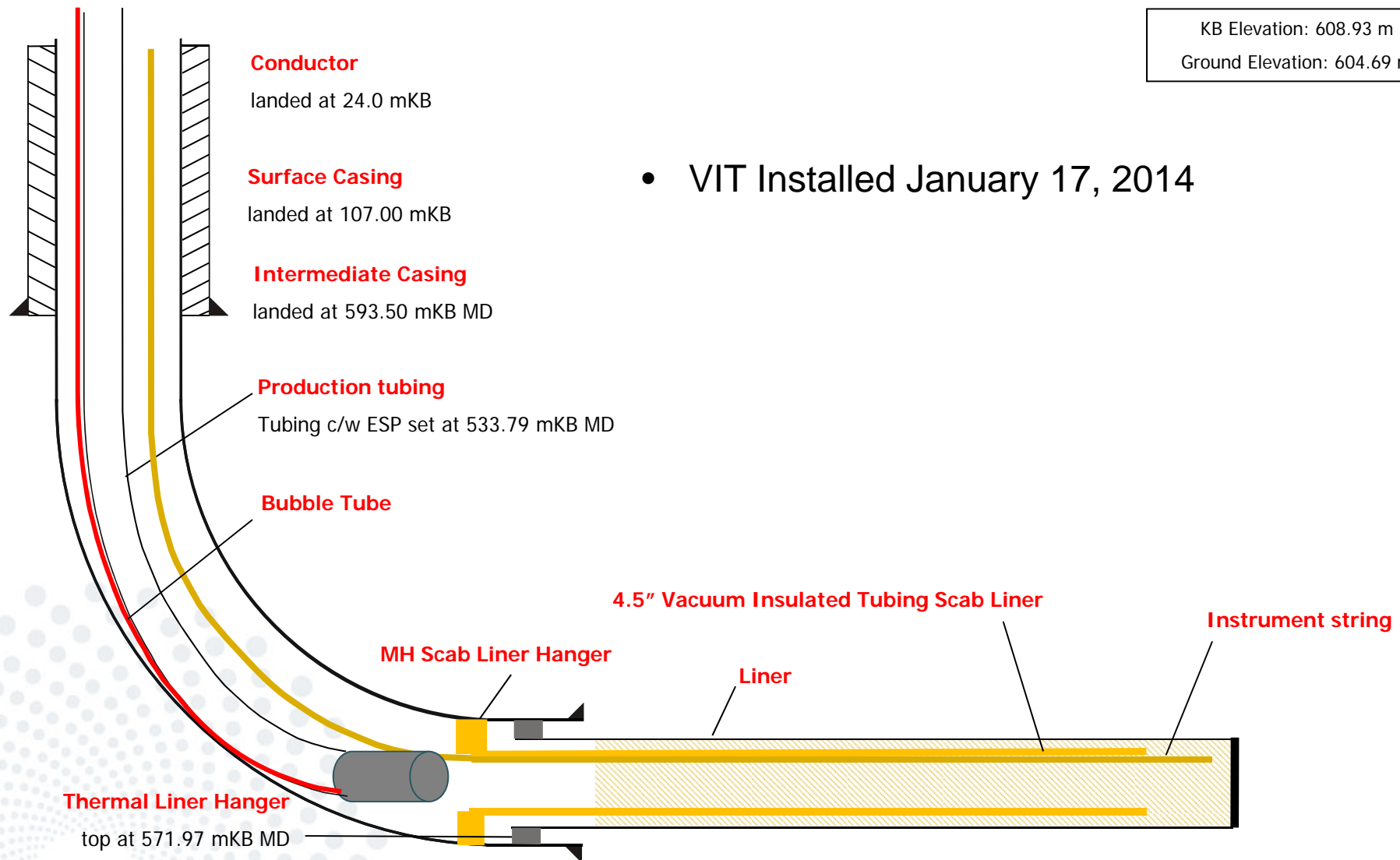
26P02 SAGD Completion (February 2013 – January 2014)



26P02 Producer Completion – January 2014

KB Elevation: 608.93 m
Ground Elevation: 604.69 m

- VIT Installed January 17, 2014



Artificial Lift

Subsurface Subsection 4

Pelican Lake SAGD Pilot
Approval 11469B

March 1, 2013 – February 28, 2014 Annual Performance Presentation

www.cenovus.com

cenovus
ENERGY

Pelican Lake SAGD Pilot

Artificial Lift

The artificial lift used for the Grand Rapids 'A' SAGD Pilot producers are Electric Submersible Pumps (ESP)

- Intake pump pressure 500 – 1,150 kPaa.
- Lift capacity per pump 60-600 m³/d.
- Pump operating temperature limit of 218°C.

Instrumentation in Wells

Subsurface Subsection 5

Pelican Lake SAGD Pilot
Approval 11469B

March 1, 2013 – February 28, 2014 Annual Performance Presentation

www.cenovus.com

cenovus
ENERGY

Pelican Lake SAGD Pilot Instrumentation In Wells

SAGD Well Pair 1 Instrumentation

- I01: Gas blanket for injector bottomhole pressures. No downhole temperature measurements
- P01: Bubble tube for producer bottomhole pressure measurements. Installed 40-point temperature fiber and pressure sensor at the toe in producer in 2014

SAGD Well Pair 2 Instrumentation

- I02: Gas blanket in annulus for injector bottomhole pressures. Equipped with 40-point temperature fiber and pressure sensor at toe.
- P02: Bubble tube for producer bottomhole pressure measurements. Removed 40-point temperature fiber and pressure sensor at toe. Replaced with 6 thermocouple temperature point string in 2014.

Requirements under subsection 3.1.1 5a – wellbore schematics, 5c and 5d are included in the Appendix.

Pelican Lake SAGD Pilot

Instrumentation In Observation Wells

Formation of Observation (Number of Wells)	Temperature only	Pressure Only	Pressure & Temperature	Sampling
Quaternary/Tertiary (3)			3	2
Viking (1)			1	1
GDPD 'A' (11)	3	1	7	1
GR"B" (4)			4	3

19 water monitoring/observation wells for Pelican Lake SAGD Pilot

Failures in 2013:

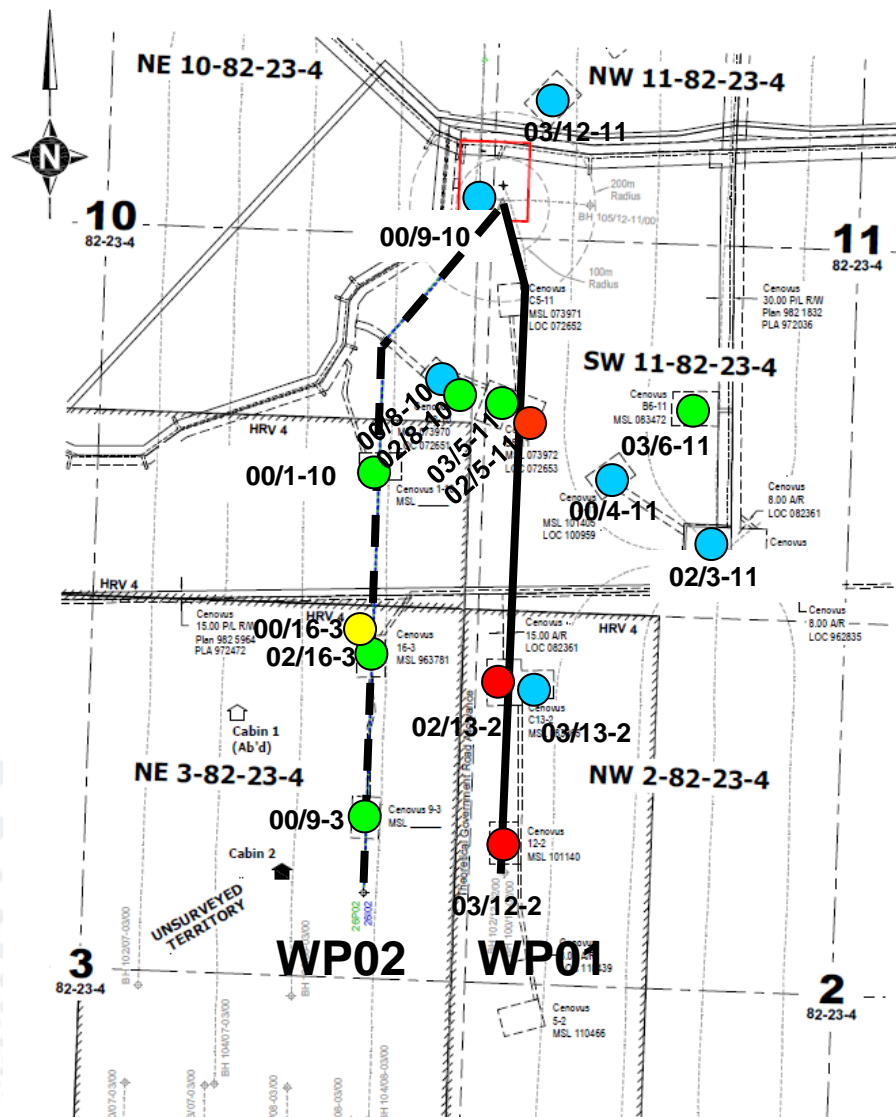
- Thermocouples
 - WP01 – 103/5-11-82-23W4 at depths: 246mKB, 242.9 mKB
 - WP02 - 100/16-3-82-23W4
 - WP01 - 102/5-11-82-23W4 Aug 2013 –Feb 2014 surface equipment issues
- Piezometers:
 - WP01 - 103/5-11-82-23W4 at depths: 242.9 mKB, 233.4 mKB, 227.1 mKB, 224 mKB

Resolution:

- February 2014 - Surface Equipment fixed on 102/5-11-82-23W4
- March 2014 - Add thermocouple strings to 103/5-11-82-23W4 & 100/16-3-82-23W4

Requirements under subsection 3.1.1 5a – wellbore schematics, 5c and 5d are included in the Appendix.

Pelican Lake SAGD Pilot Instrumentation in Wells



- Temperature
- Temperature & Pressure
- Ground Water observation
- Thermal compliancy observation

WP01 Equipped with fiber-optic string for temperature monitoring

WP02 Equipped with 6-point thermocouple string for temperatures

Ground water observation wells

not illustrated on map

100/04-27-82-22

1F1/13-07-82-22

16-07-82-22 (camp 1 water source well)

Seismic

Subsurface Subsection 6

Pelican Lake SAGD Pilot
Approval 11469B

March 1, 2013 – February 28, 2014 Annual Performance Presentation

www.cenovus.com

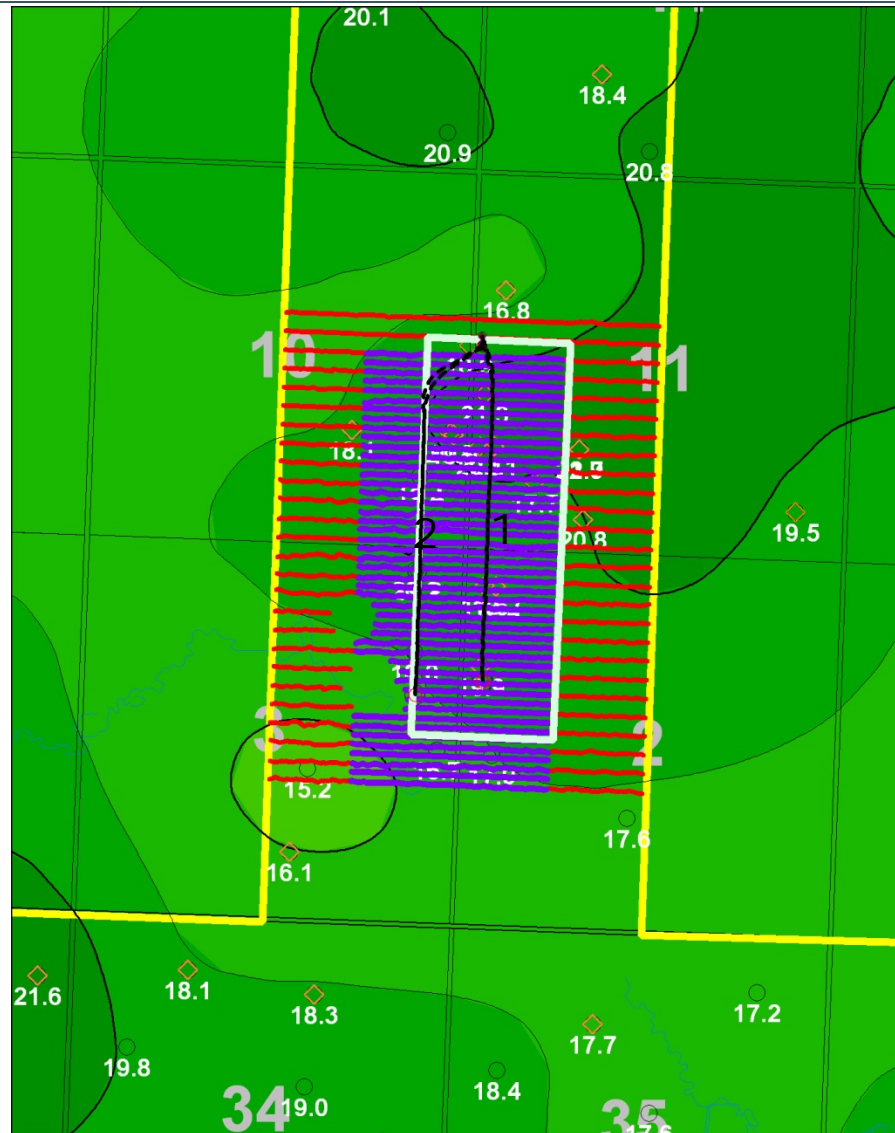
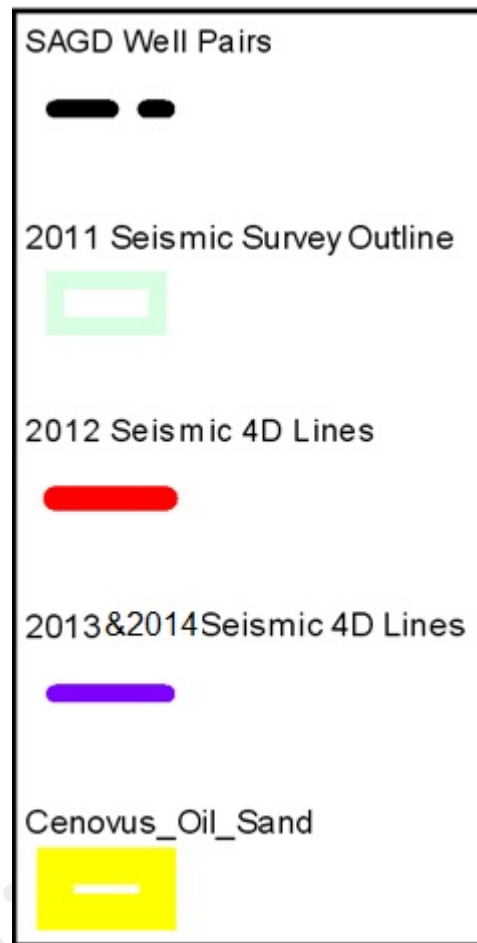
cenovus
ENERGY

Pelican Lake SAGD Pilot Seismic Coverage

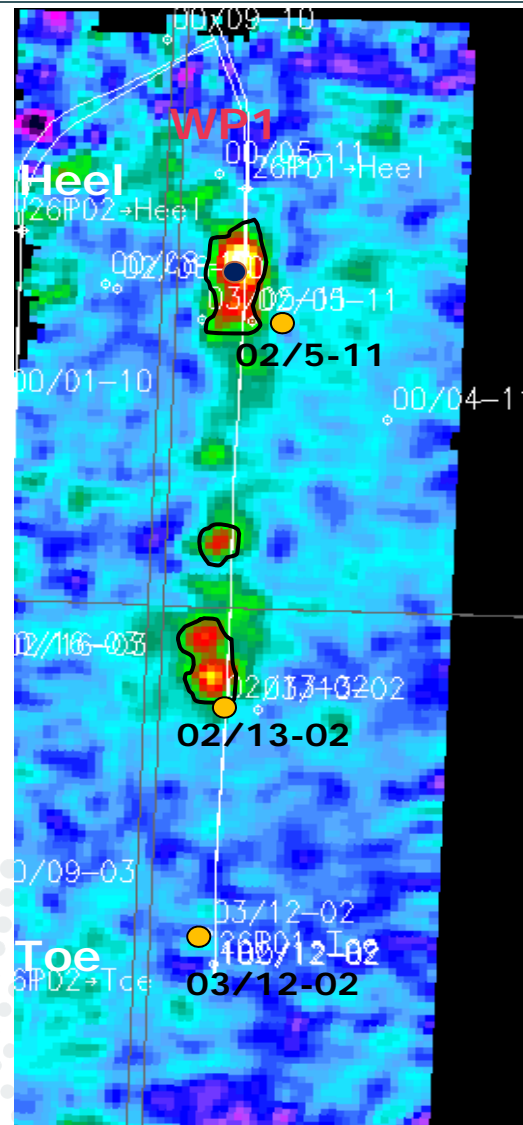
Purpose: monitor steam chamber growth

- Bin size: 10 m by 10 m
- Baseline 3D was shot on January 2nd, 2011
- First 4D was shot on January 3rd, 2012
- Second 4D was shot in March 2013
- Third 4D was shot in January 2014
- 4D seismic show the areas of steam chamber development and connection to the lean zone
- 2014 being processed

4D Seismic Coverage



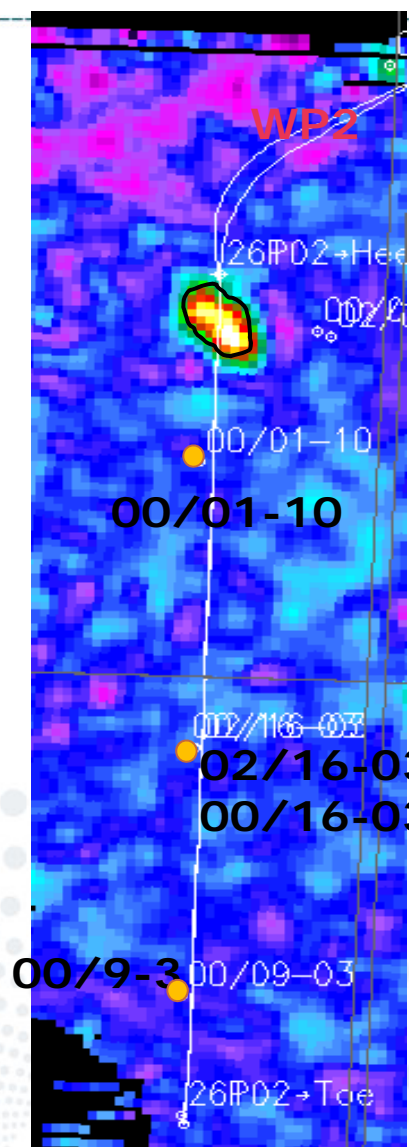
26P01 4D Seismic Interpretation



**4D seismic
between
2013 and 2011
show steam
at heel and
middle of WP01**

- Steam chamber core
- Temp. OB Well

26P02 4D Seismic Interpretation



4D seismic between 2013 and 2012 shows steam at heel of WP02

- Steam chamber at heel is interpreted to be connected to the overlying lean zone
 - 2013 4D seismic analysis shows seismic amplitude throughout the bitumen, transition, and lean zone
- Lean zone pressure (measured in offsetting observation wells) increased several months after WP2 start-up
- Injector pressure is balanced with the overlying lean zone pressure
- Temperature logs in both the Producer and Injector show elevated temperature coinciding with the 4D seismic

Scheme Performance

Subsurface Subsection 7

Pelican Lake SAGD Pilot

Approval 11469B

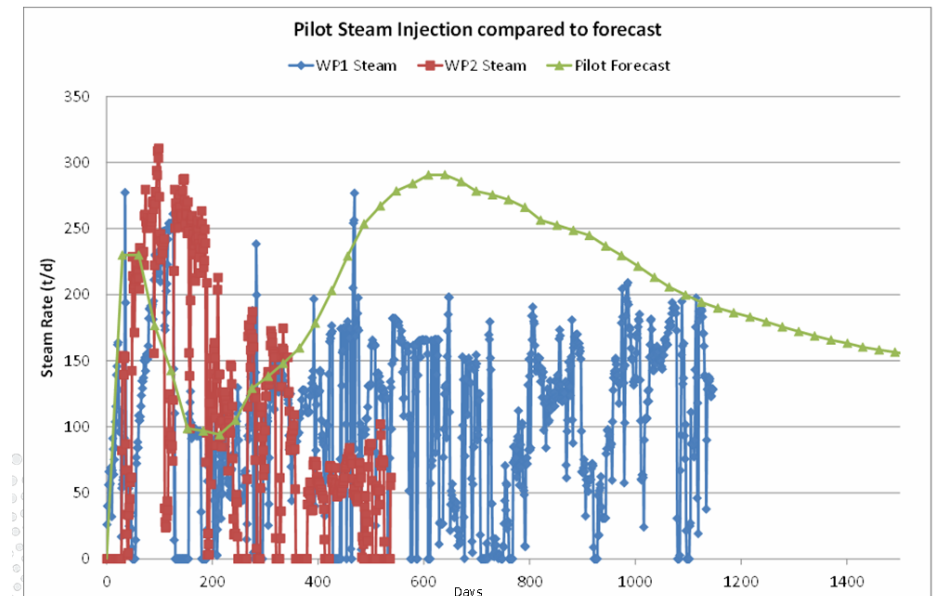
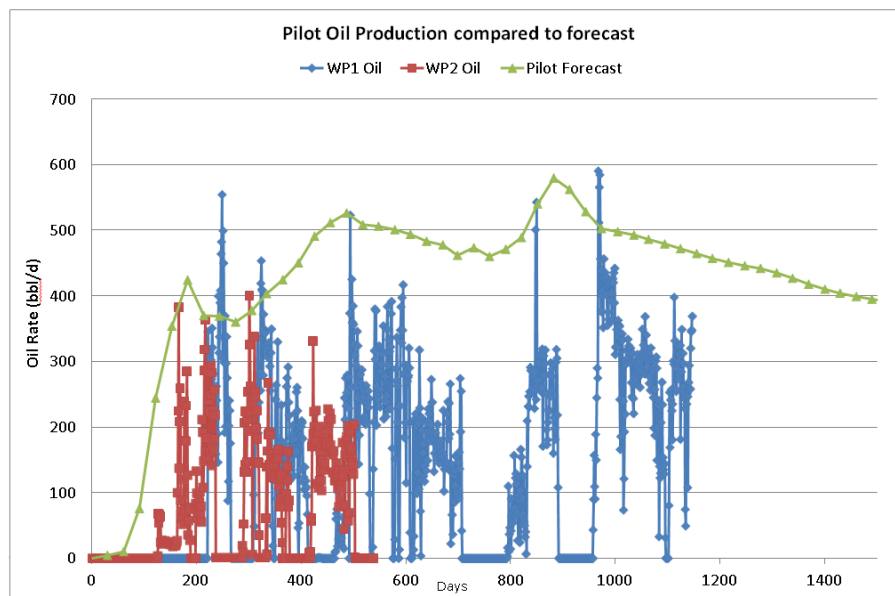
March 1, 2013 – February 28, 2014 Annual Performance Presentation

www.cenovus.com

cenovus
ENERGY

Pelican Lake SAGD Historical Production & Injection (July 2011 – March 2014)

Actual Pilot performance versus forecasted performance of an equivalent commercial well pair



- Hot spot development in both Wellpair producers
- Poor conformance
- Damaged scab liner

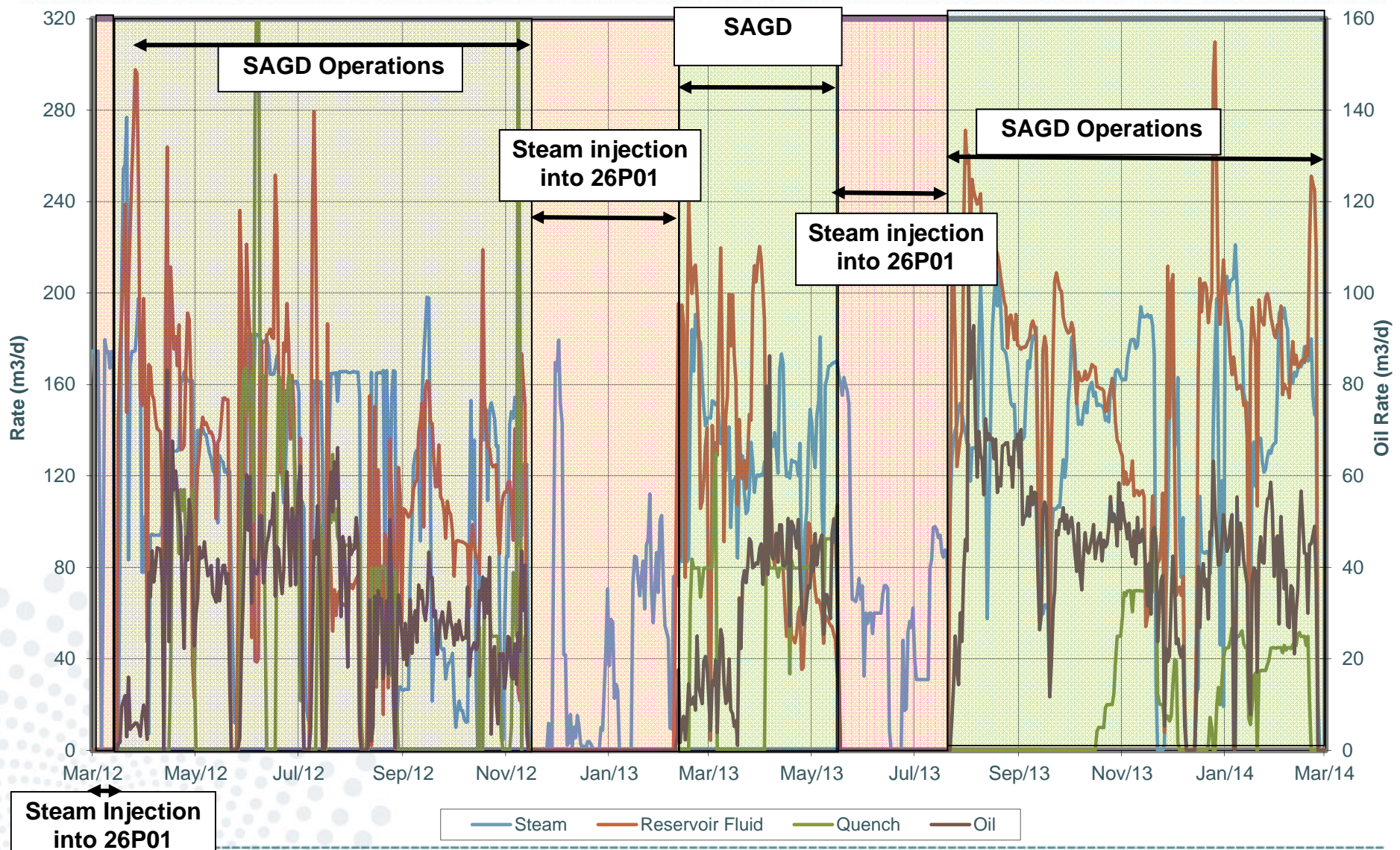
Well Pair #1

www.cenovus.com

cenovus
ENERGY

Pelican Lake SAGD Pilot

March 2012 – February 28, 2014 WP01 Performance



Pelican Lake SAGD Pilot

March 1, 2013 – February 28, 2014 WP01 SAGD

Performance

**Maximum sustained
reservoir fluid rate ~
230m³/d**

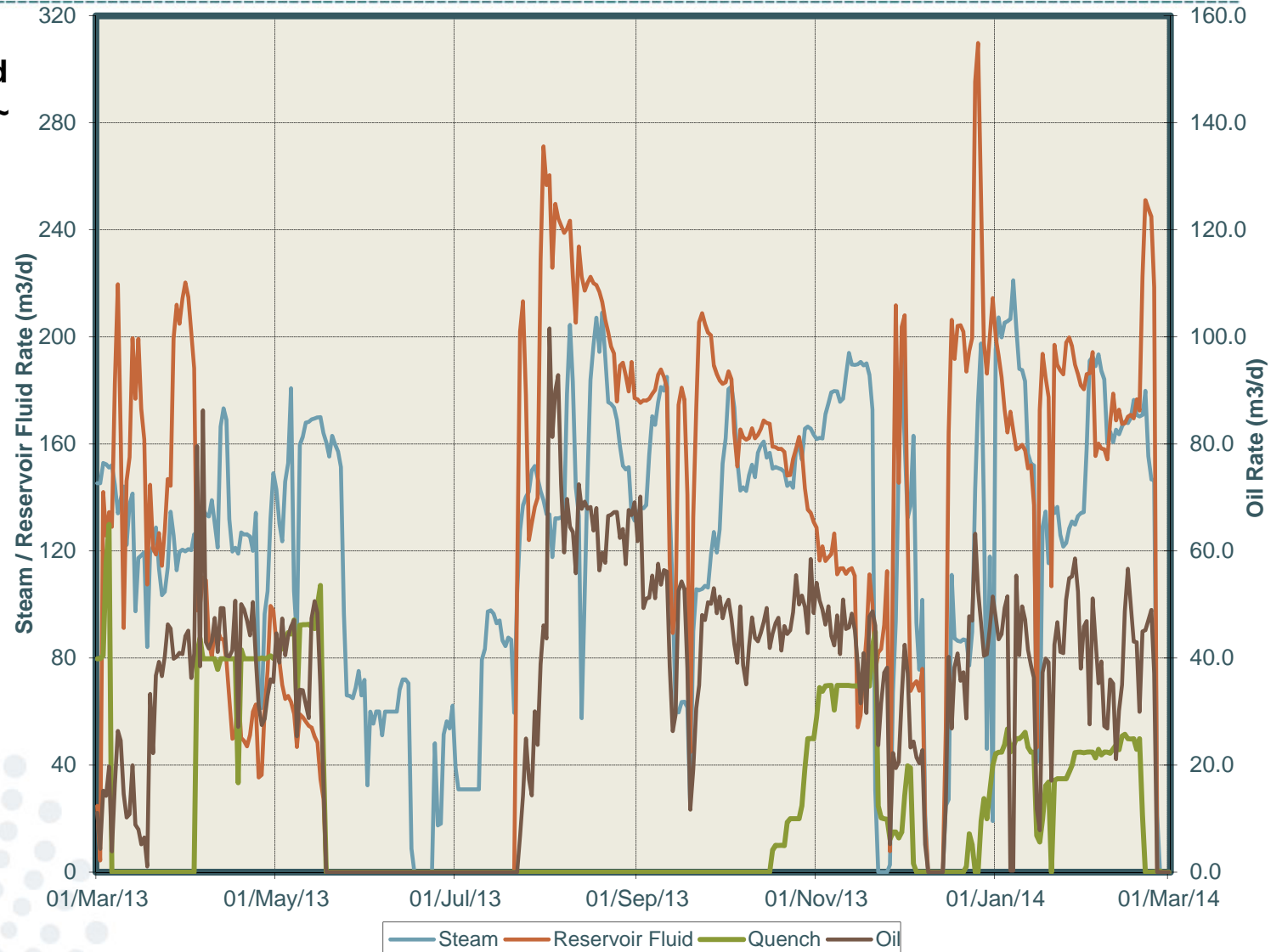
**254 days on
production**

**Ave. oil rate =
35m³/d**

**Ave. reservoir fluid
rate = 160m³/d**

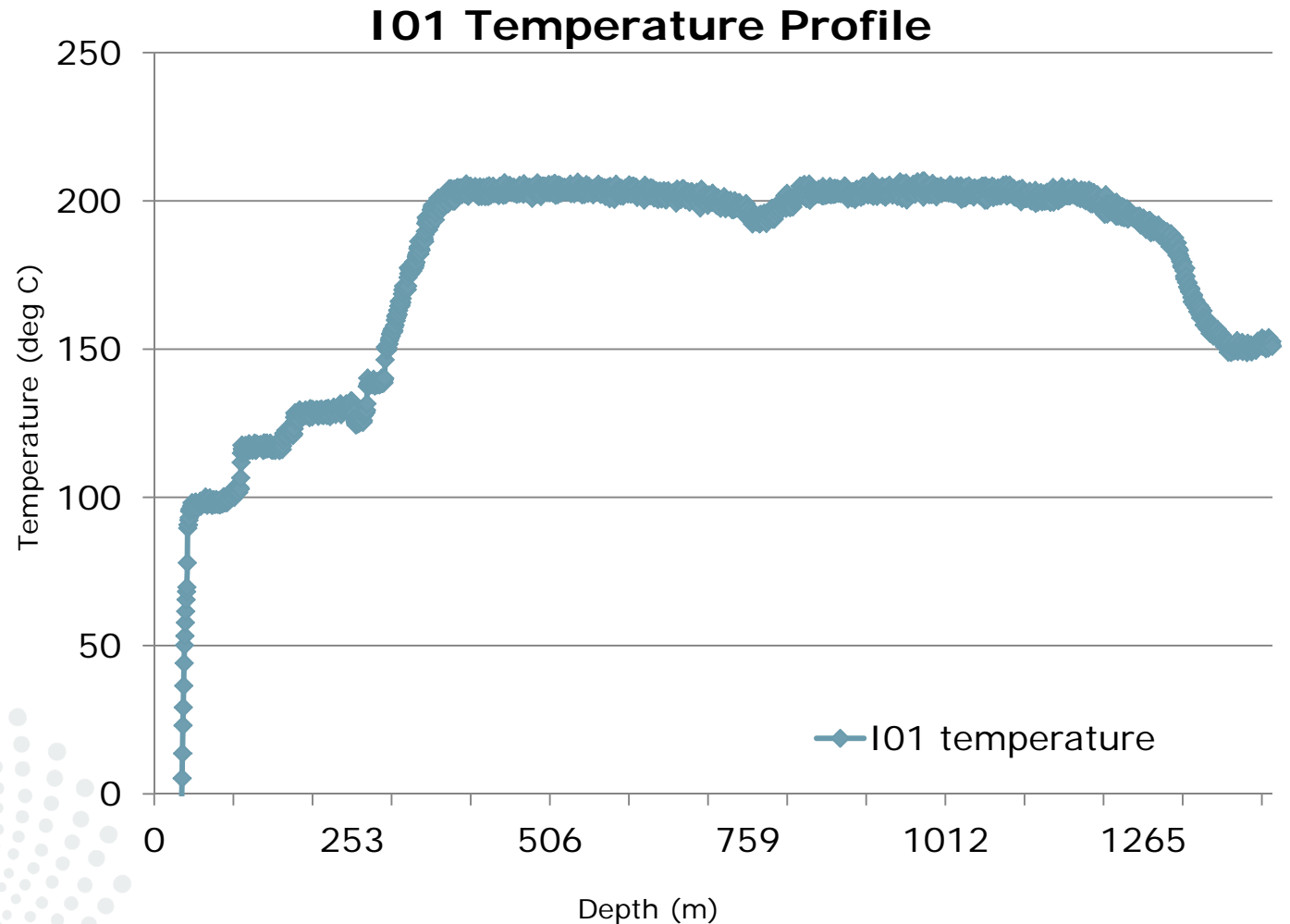
SOR = 4.0

WOR = 3.3



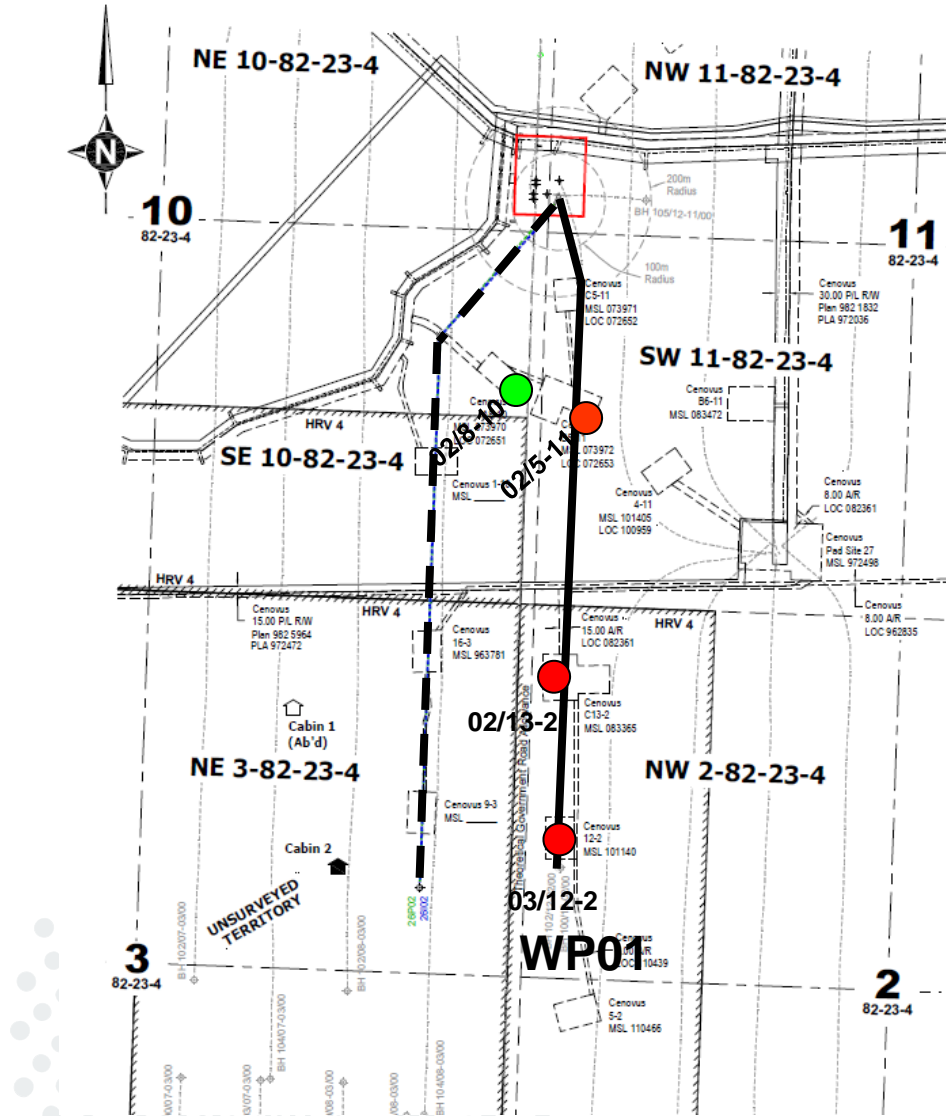
Pelican Lake SAGD Pilot I01 Temperature Survey

- Target to improve conformance by increasing drawdown capability of mid-section to toe section of well
- Survey was conducted on December 11, 2013. Injector was shut-in for 2 days



Pelican Lake WP01

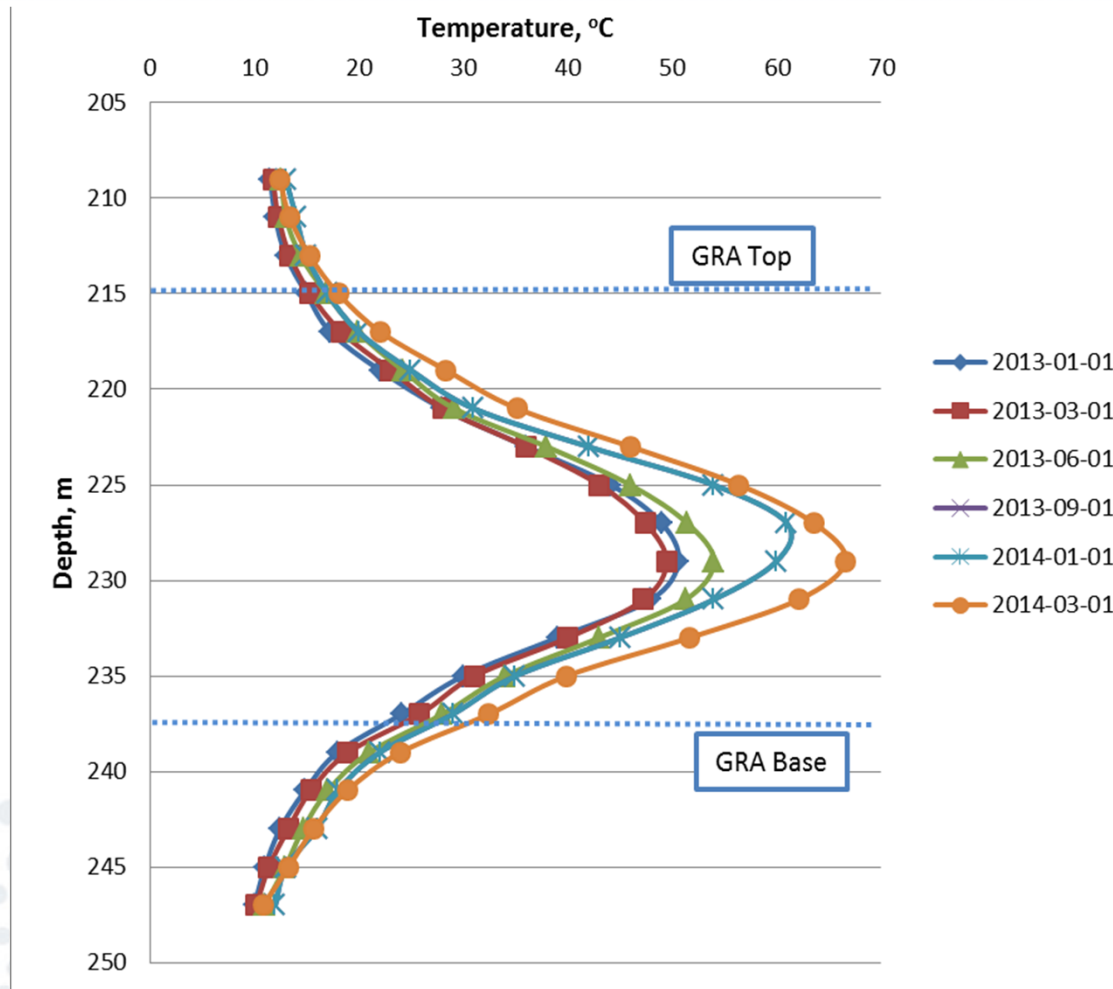
Thermocouples in Wells



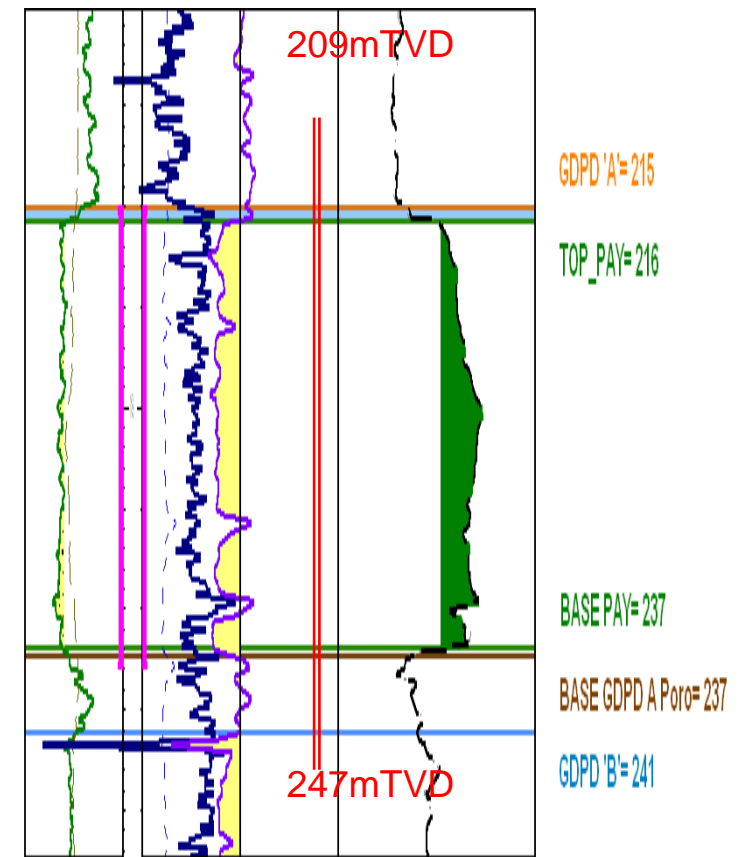
- Temperature
- Temperature & Pressure

WP01 Equipped with fiber-optic string for temperature monitoring

Pelican Lake SAGD Pilot Thermocouple Response 103/12-02



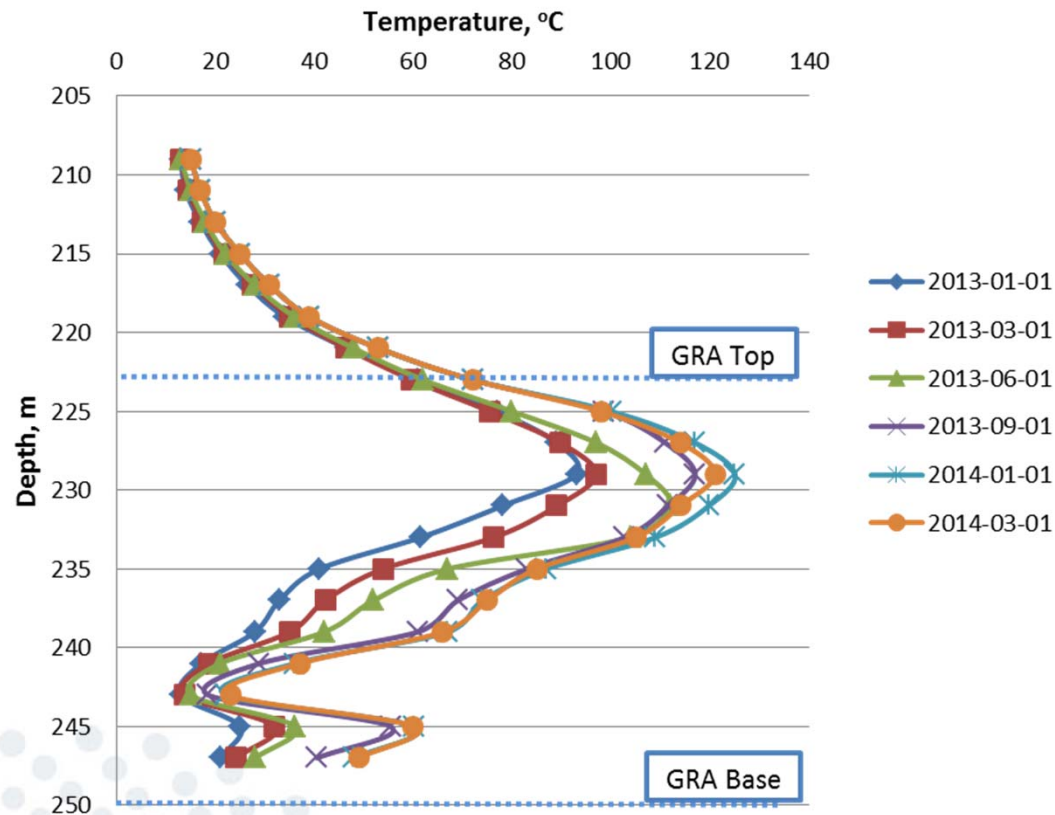
Thermocouple – located at toe



Lateral distance from Observation well to the well pair = 4.0 m

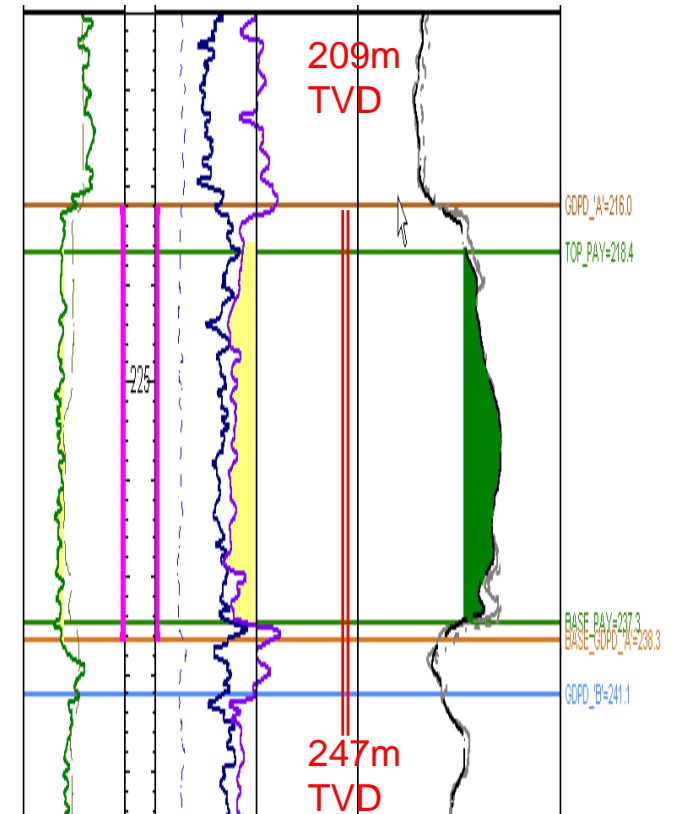
Pelican Lake SAGD Pilot

Thermocouple Response 102/13-02



- Temperature spike at 245m is due to steam injection at producer conductively heating bottom of the pay zone.

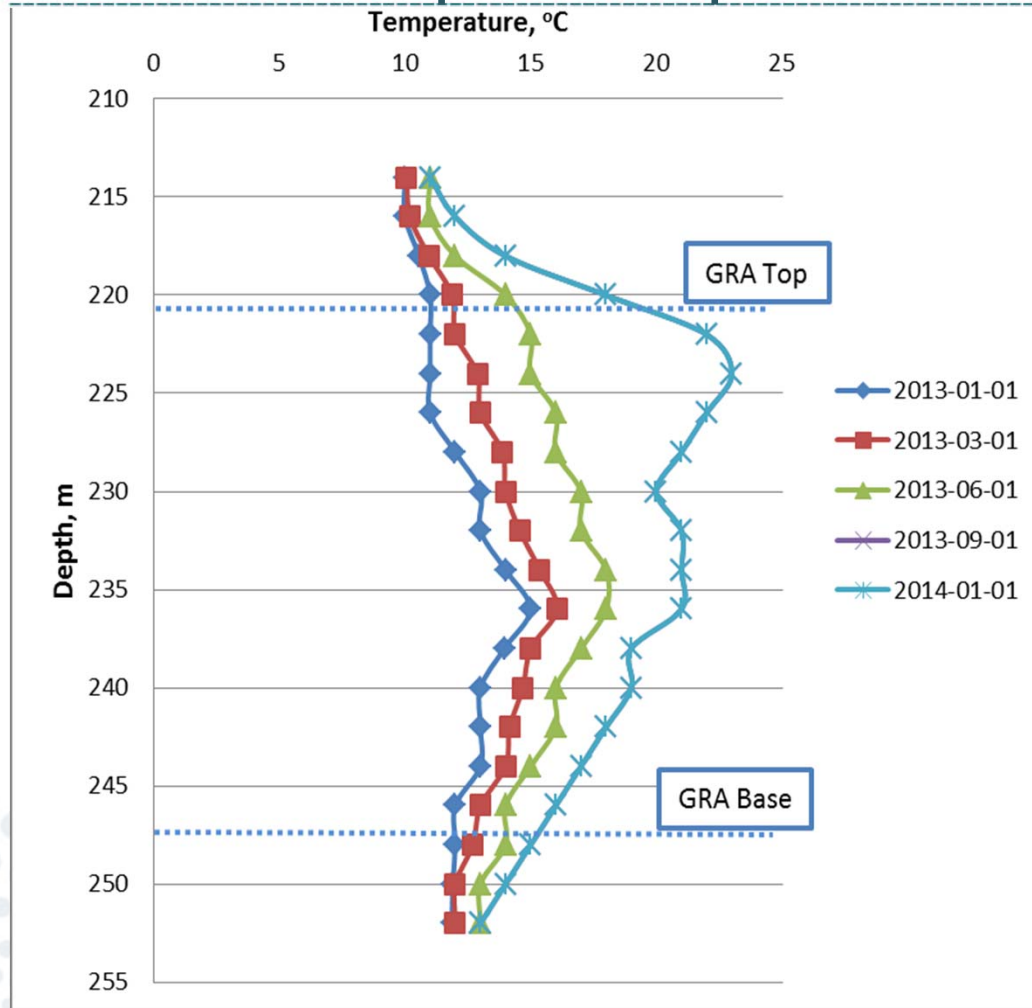
Thermocouple – 400m from toe toward heel



Lateral distance from Observation well to the well pair = 4.2 m

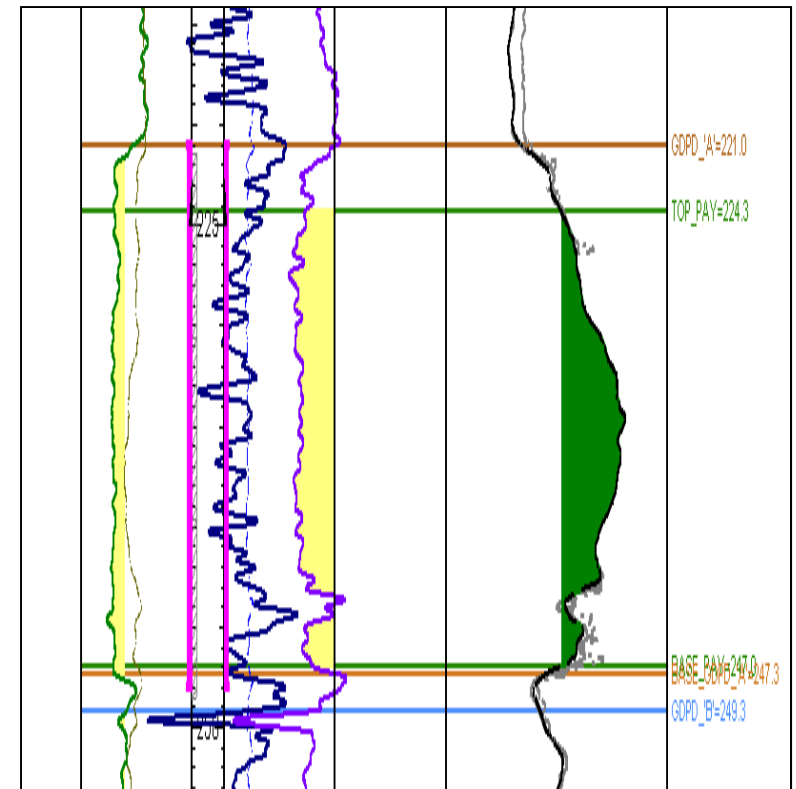
Pelican Lake SAGD Pilot

Thermocouple Response 102/05-11



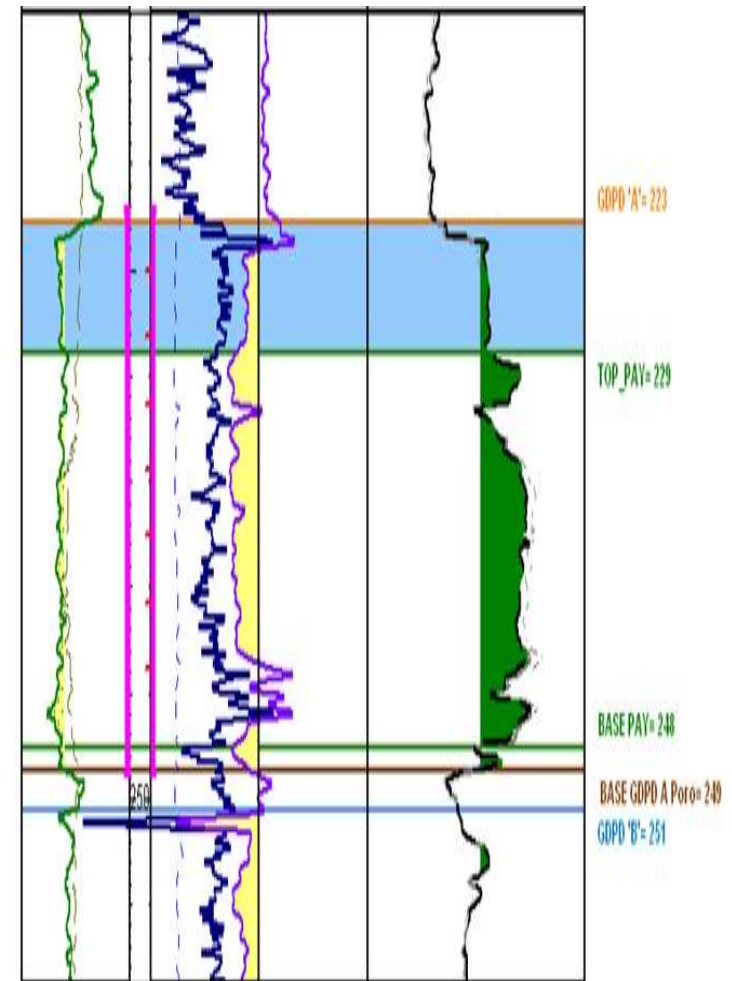
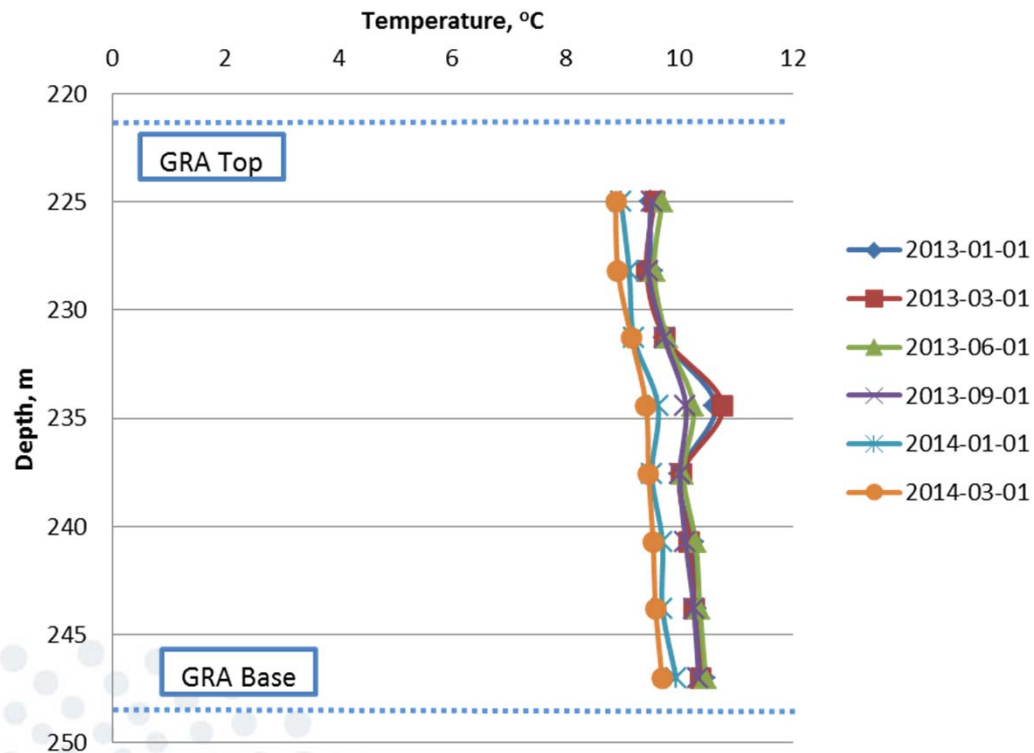
Not working Aug 2013 –Feb 2014 surface equipment issues

Thermocouple – Located at heel



Lateral distance from Observation well to the well pair = 21.4 m

Pelican Lake SAGD Pilot Thermocouple Response 102/08-10



Lateral distance from Observation well to the well pair = 174 m

Pelican Lake WP01

March 1, 2013 – February 28, 2014 Milestones

- August 2013 - P01 averaged 70 m³/d oil
- Dec 2013 - HCl job on P01
- March 2014 - Removed quench line, installed ICD/scab liner in P01 with DTS
- January 2014 - P01 recompletion (hole in scab liner)

Pelican Lake SAGD WP01

Key Learnings

- High steam injection pressures combined with high drawdown created steam jetting conditions resulting in a hole in both slotted and scab liner
- Drawdowns should be maintained below 500 kPa to minimize risk of steam jetting holes in tubing
- Measurement audit showed small discrepancies in production and injection data. These are currently being resolved.
- P1 downhole quench completion showed positive results. Casing steam production was eliminated and production tubing steam was reduced.
- Temperature limitation of Pelican Lake oil infrastructure was improved from 2012, however full resolution was not achieved due to downhole issues.

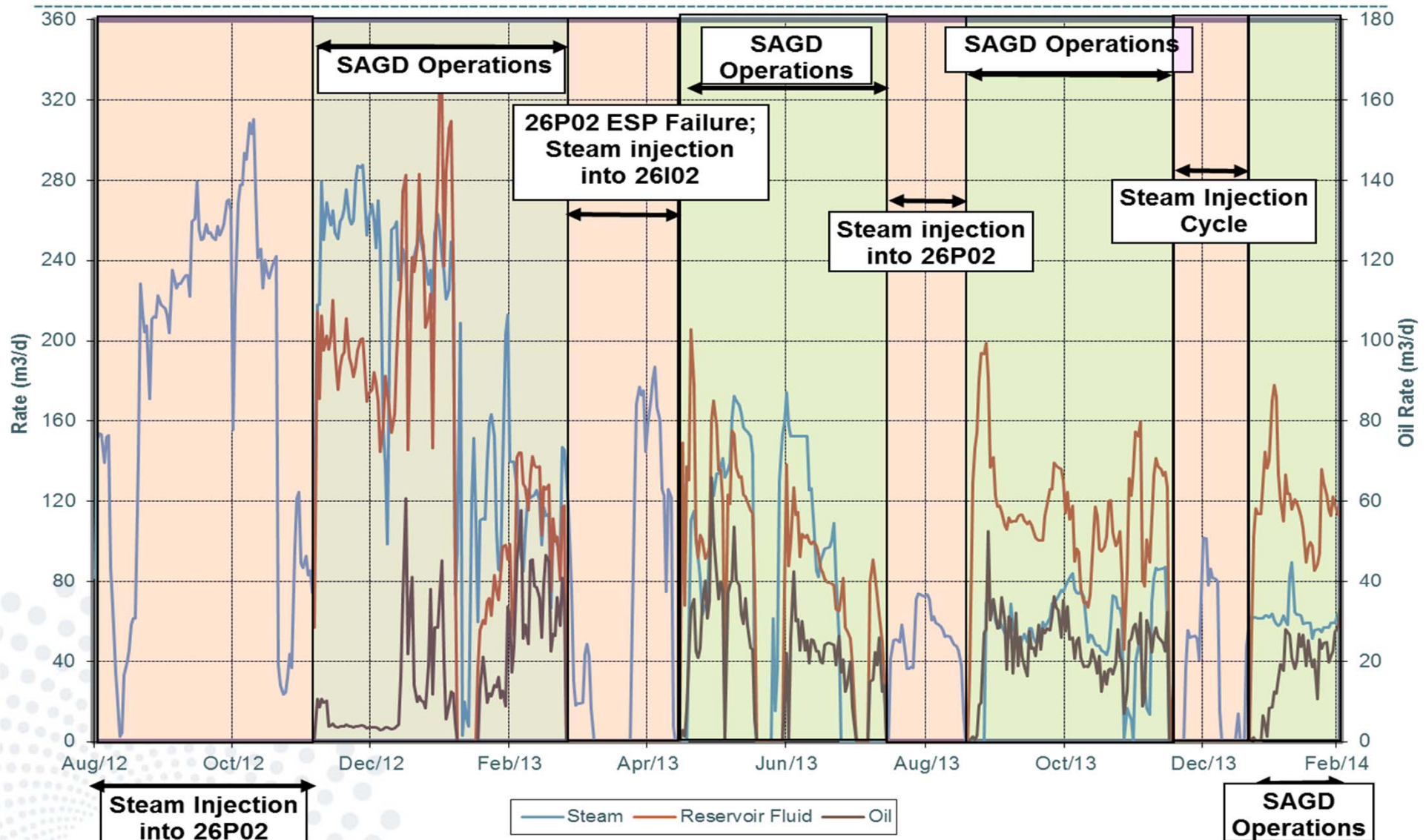
Well Pair #2

www.cenovus.com

cenovus
ENERGY

Pelican Lake SAGD Pilot

August 2012 – February 28, 2014 WP2 Performance



Pelican Lake SAGD Pilot

March 1, 2013 – February 28, 2014 WP2 Performance

**Maximum
sustained reservoir
fluid rate ~ 110m³/d**

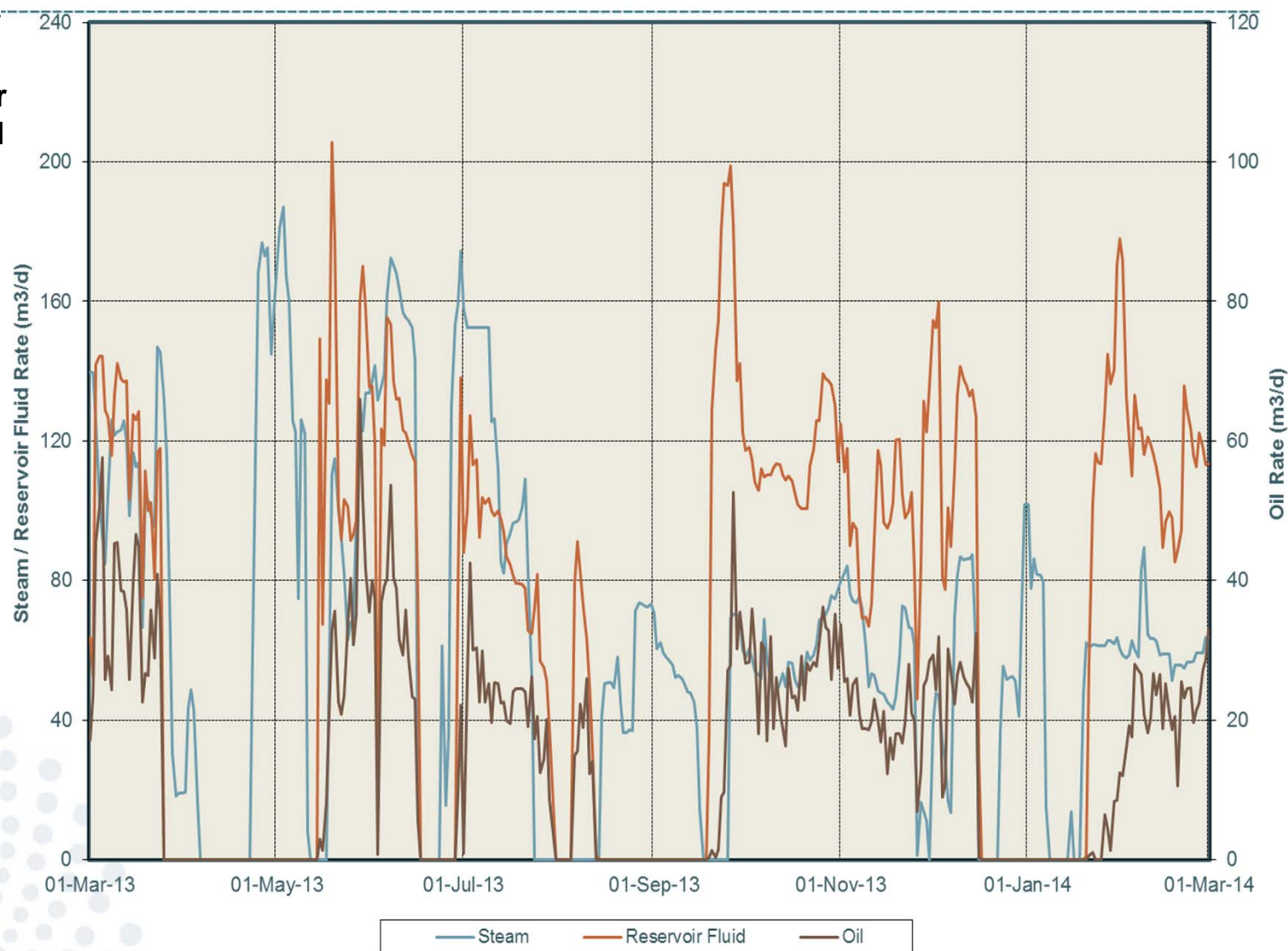
**226 days on
production**

**Ave. oil rate =
24m³/d**

**Ave. reservoir fluid
rate = 110m³/d**

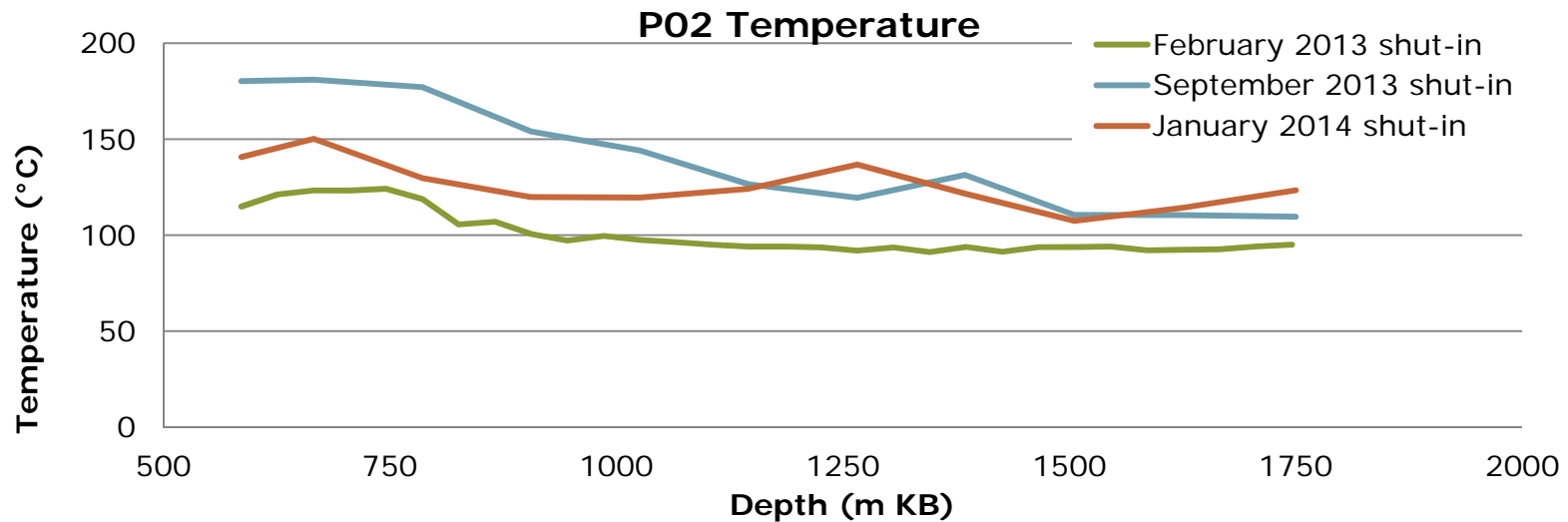
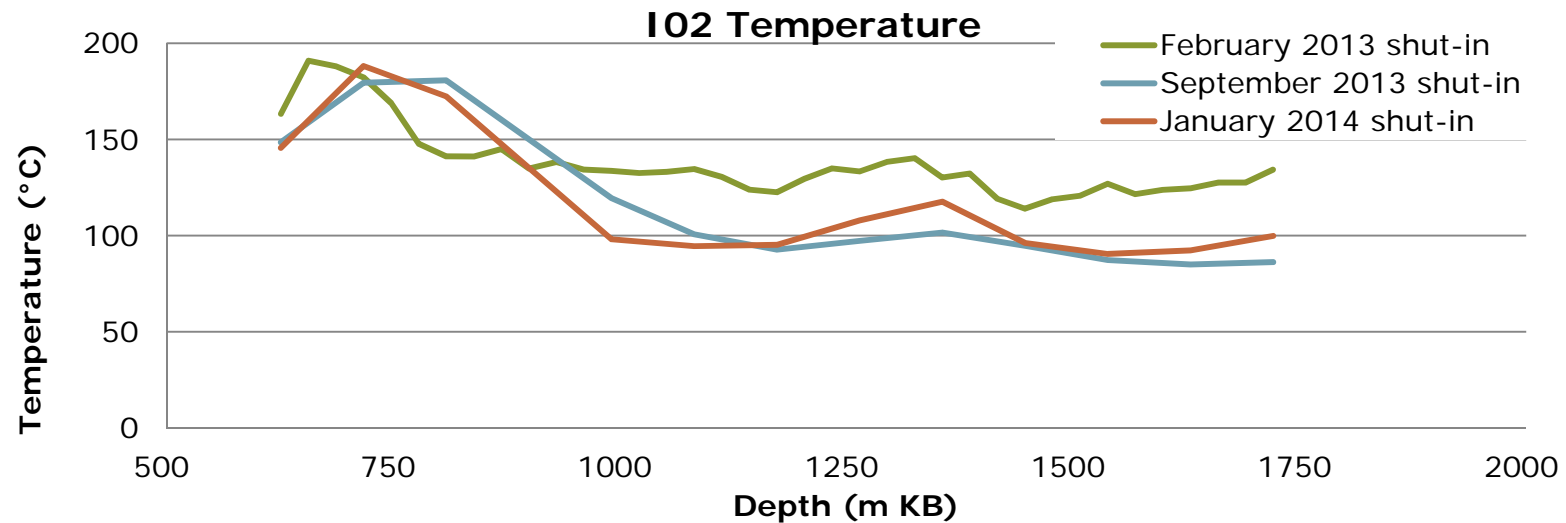
SOR = 5.0

WOR = 3.6



Pelican Lake SAGD Pilot

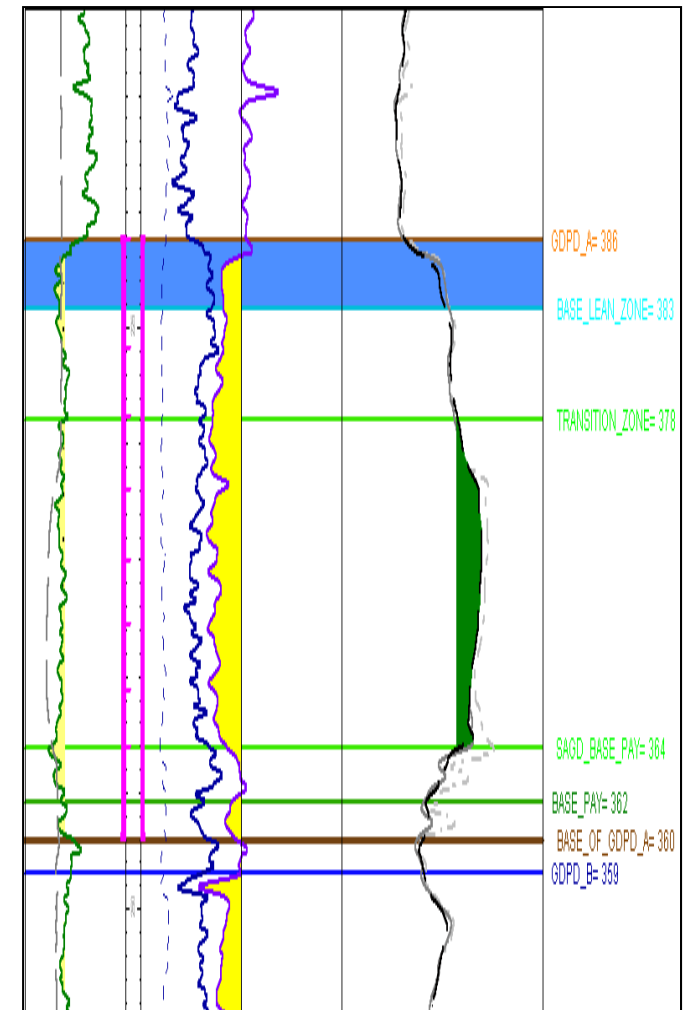
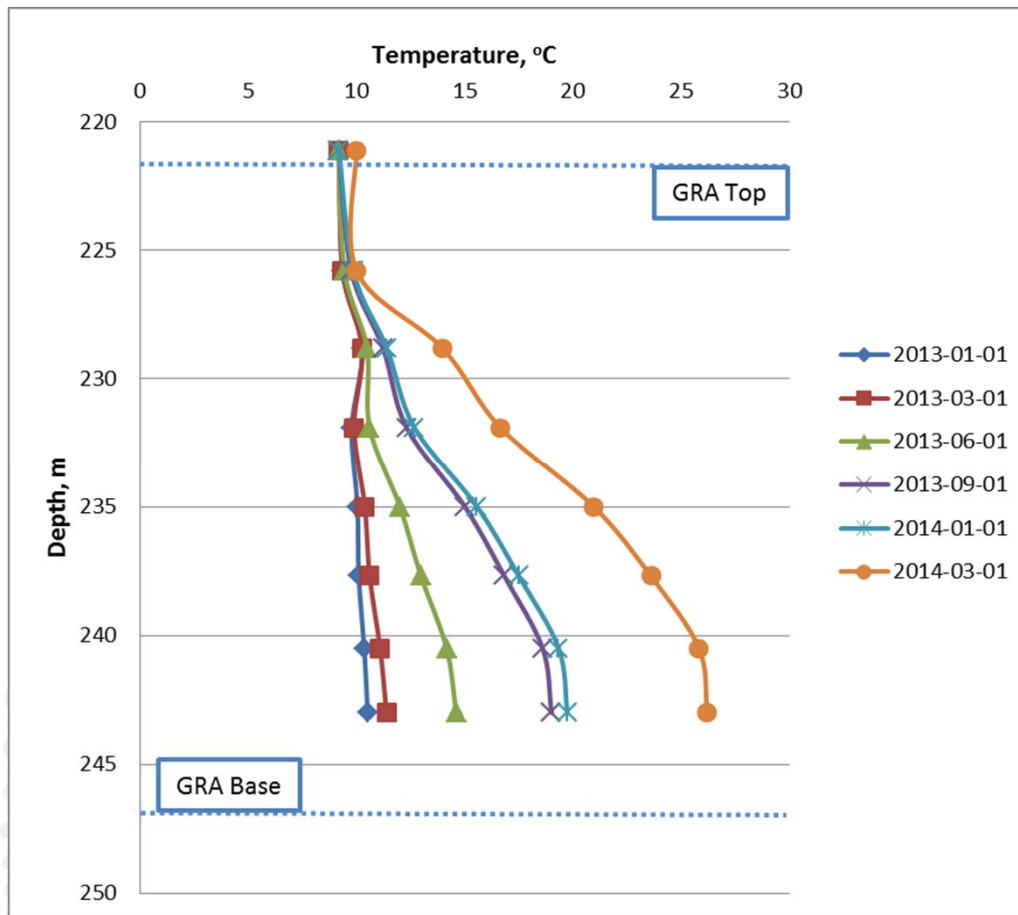
26I02 & 26P02 Fiber Temperatures



WP2 Equipped with 6-point thermocouple string for temperatures

Pelican Lake SAGD Pilot

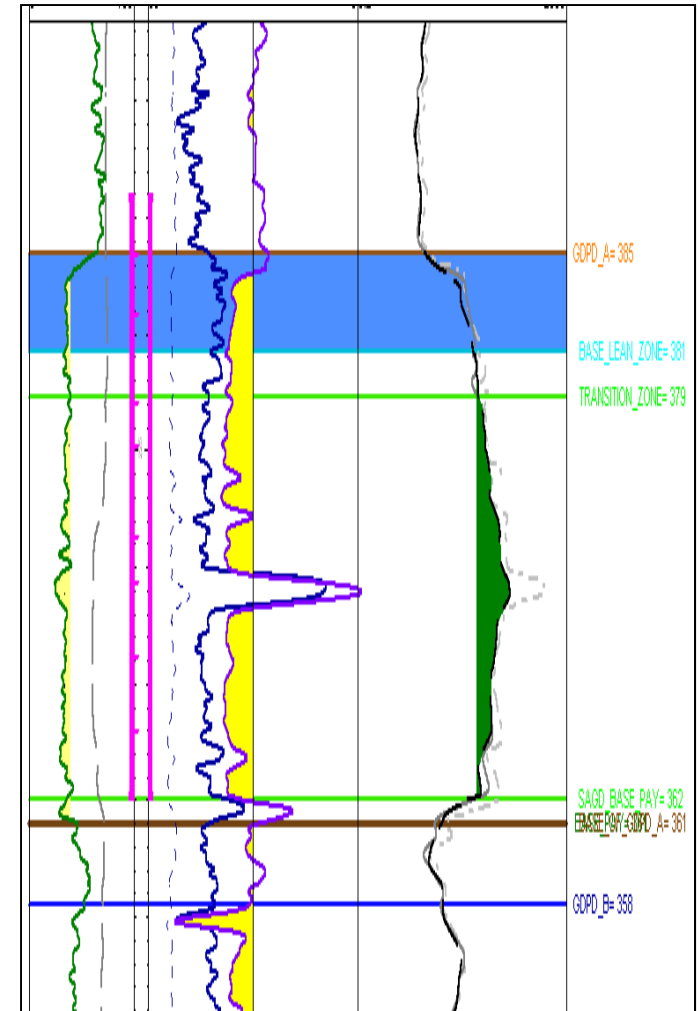
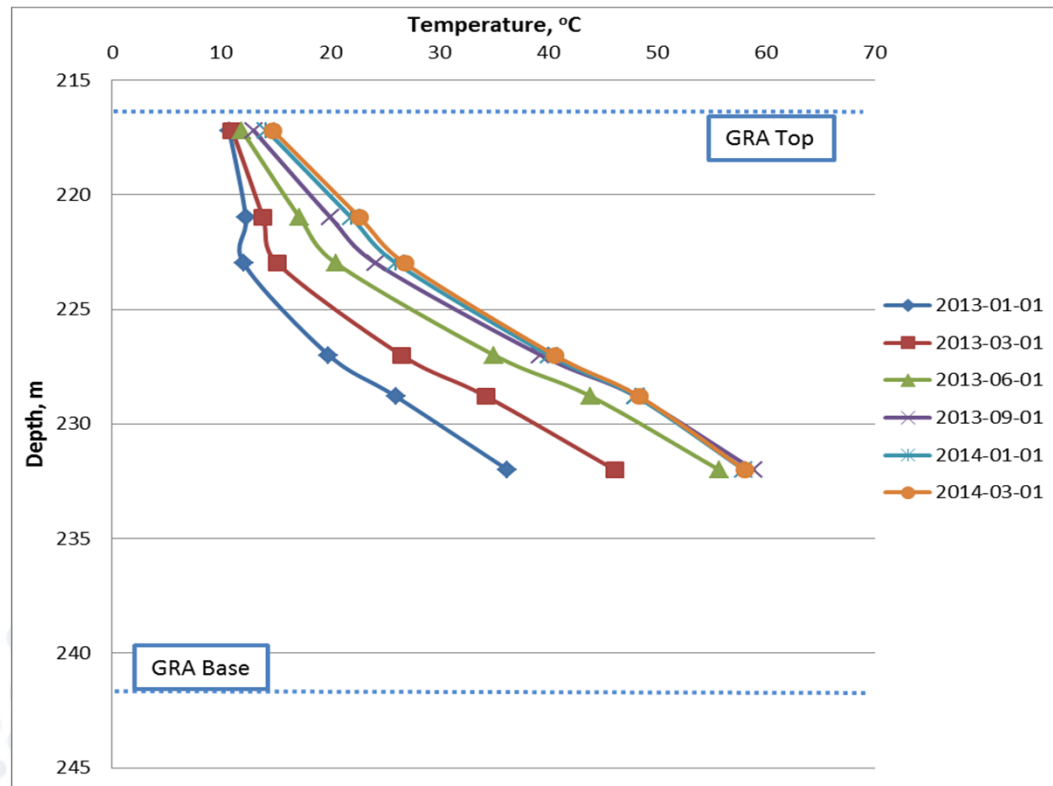
Thermocouple Response 100/01-10



Distance from Observation well to the well pair = 12m

Pelican Lake SAGD Pilot

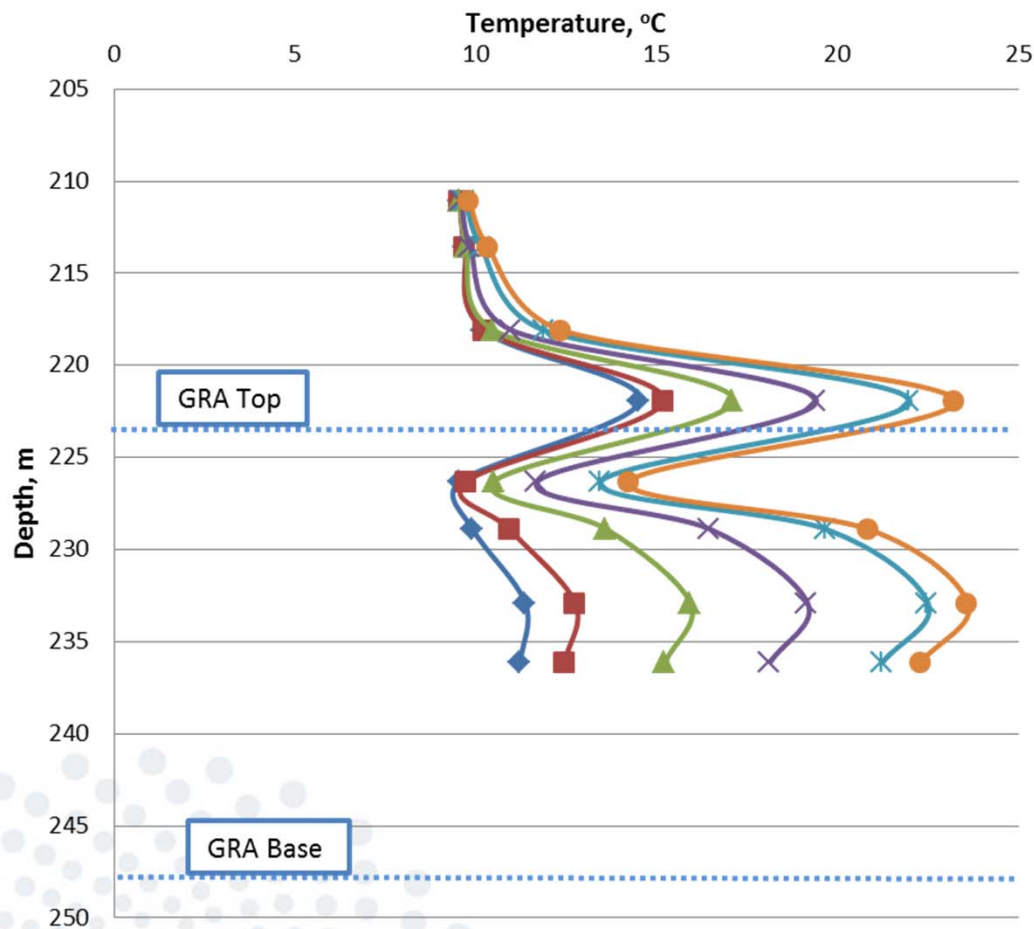
Thermocouple Response 102/16-03



Distance from Observation well to the well pair = 2.4m

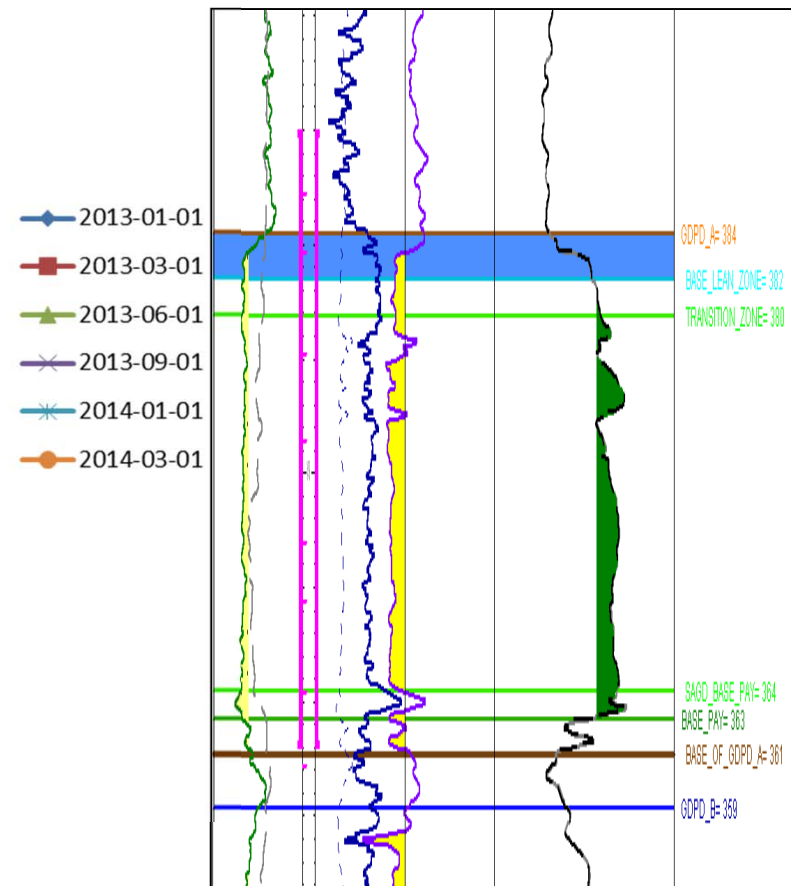
Pelican Lake SAGD Pilot

Thermocouple Response 100/09-03



- At 223m natural temperature of lean zone.

Distance from Observation well to the well pair = 9.8m



Pelican Lake WP02

March 1, 2013 – February 28, 2014 Milestones

- August 2013 - P02 HCl cleanout
- January 2014 - Installed insulated tubing in P02
- March 2014 - P02 recompletion (hole in scab liner)

Pelican Lake SAGD WP02

Key Learnings

- Circulation start-up resulted in hot spot formation at the heel of the wellpair
- High steam injection pressures combined with high drawdown failed to improve conformance. Additionally, these conditions created steam jetting resulting in a hole in both slotted and scab liner.
- Drawdowns should be maintained below 500 kPa to minimize risk of steam jetting holes in tubing
- Recompletion to install insulated tubing Jan 2014 to aid in start-up of P2 toe and improve conformance.
- Temperature limitation of Pelican Lake oil infrastructure constrained emulsion rates.

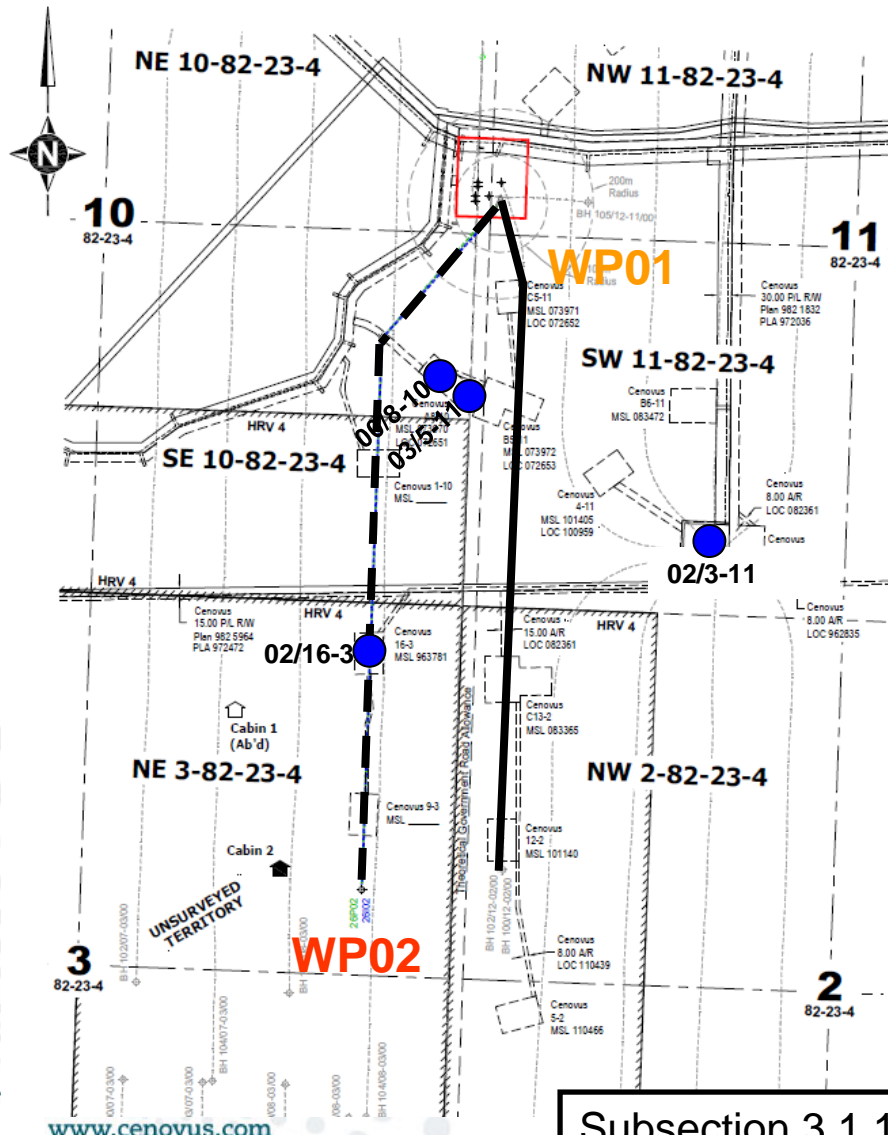
Pelican Lake SAGD Pilot Production Summary

WP01	Cumulative	March 1, 2013 to February 28, 2014
Oil (m ³)	24,405	12,099
Water (m ³)	78,353	39,856
WOR (m ³ /m ³)	2.85	3.3
Steam Injection (m ³)	128,000	48,981
SOR (m ³ /m ³)	5.0	4.0
WSR (m ³ /m ³)	0.62	0.82
WP02 **	Cumulative	March 1, 2013 to February 28, 2014
Oil (m ³)	6,226	5,454
Water (m ³)	33,269	19,769
WOR (m ³ /m ³)	5.34	3.6
Steam Injection (m ³)	62,308	27,572
SOR (m ³ /m ³)	10.0	5.0
WSR (m ³ /m ³)	0.53	0.72

- Significant steam losses to lean zone to maintain pressure.
- WP01 steam injection volumes include steam injected into P01
- WP01 water doesn't includes quench

**All data current to February 28, 2014

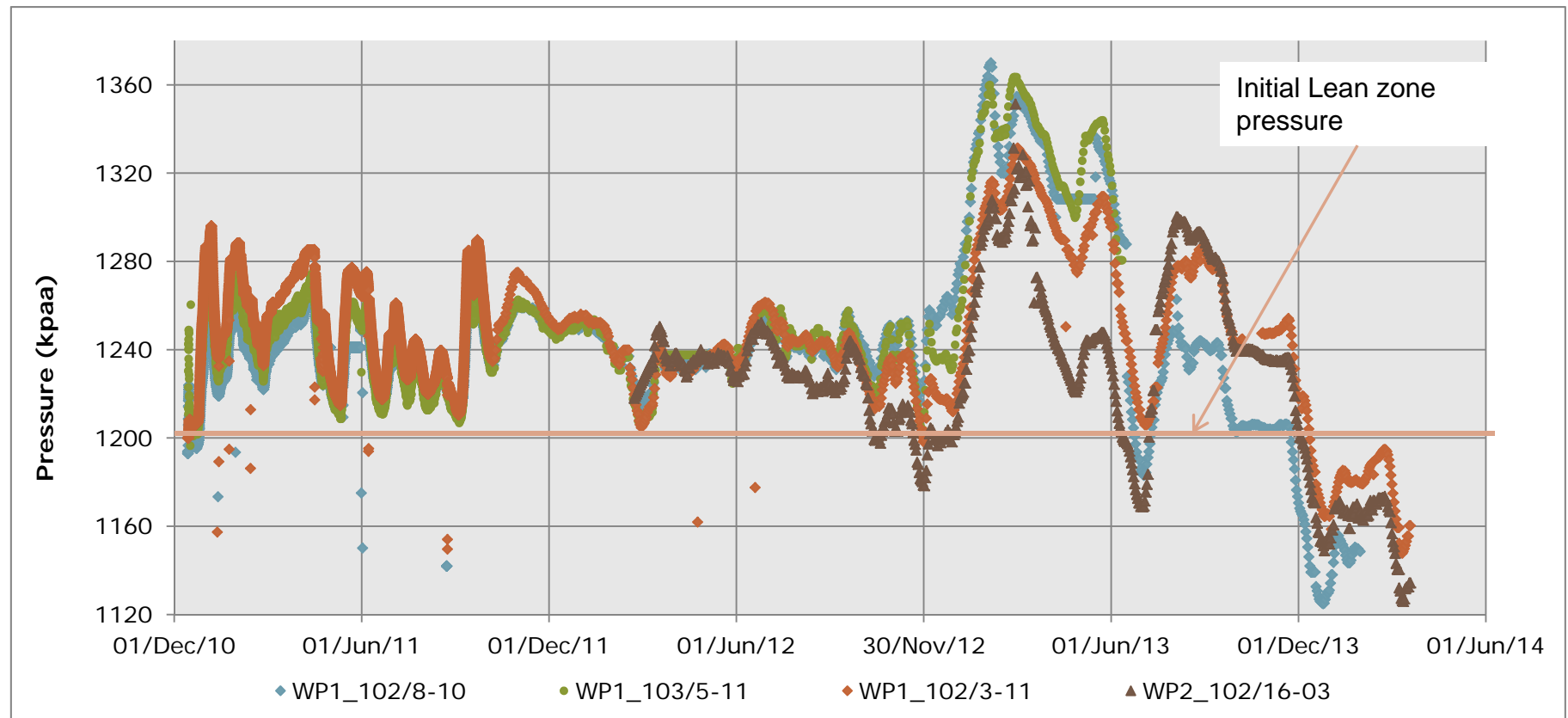
Pelican Lake SAGD Pilot Lean Zone Observation Wells



● Lean Zone
Observation Wells

Subsection 3.1.1 – 7)

Pelican Lake SAGD Pilot Lean Zone Pressure History



- Lean zone pressure below expected reservoir pressure in 2014

Future Plans

Subsurface Subsection 8

Pelican Lake SAGD Pilot

Approval 11469B

March 1, 2013 – February 28, 2014 Annual Performance

www.cenovus.com

cenovus
ENERGY

Pelican Lake SAGD Pilot

Future Plans

- March 2014: install ICDs in P01 to restrict hot-spot steam production
- Possible recompletions for I01 and I02 to improve conformance
- 3rd well pair being considered for 2015 to evaluate improved SAGD start-up, completion and facility integration

3.1.2 Surface Operations, Compliance and Issues Not related to Resource Evaluation and Recovery

Pelican Lake SAGD Pilot
Approval 11469B

March 1, 2013 – February 28, 2014 Annual Performance Presentation

Pelican Lake SAGD Pilot

Surface Operations: Table of Contents

1. Facilities
2. Facilities Performance
3. Measurement and Reporting
4. Water production, injection and Uses
5. Sulphur Production
6. Environmental Issues
7. Compliance Confirmation
8. Future Plans

Facilities

Surface Subsection 1

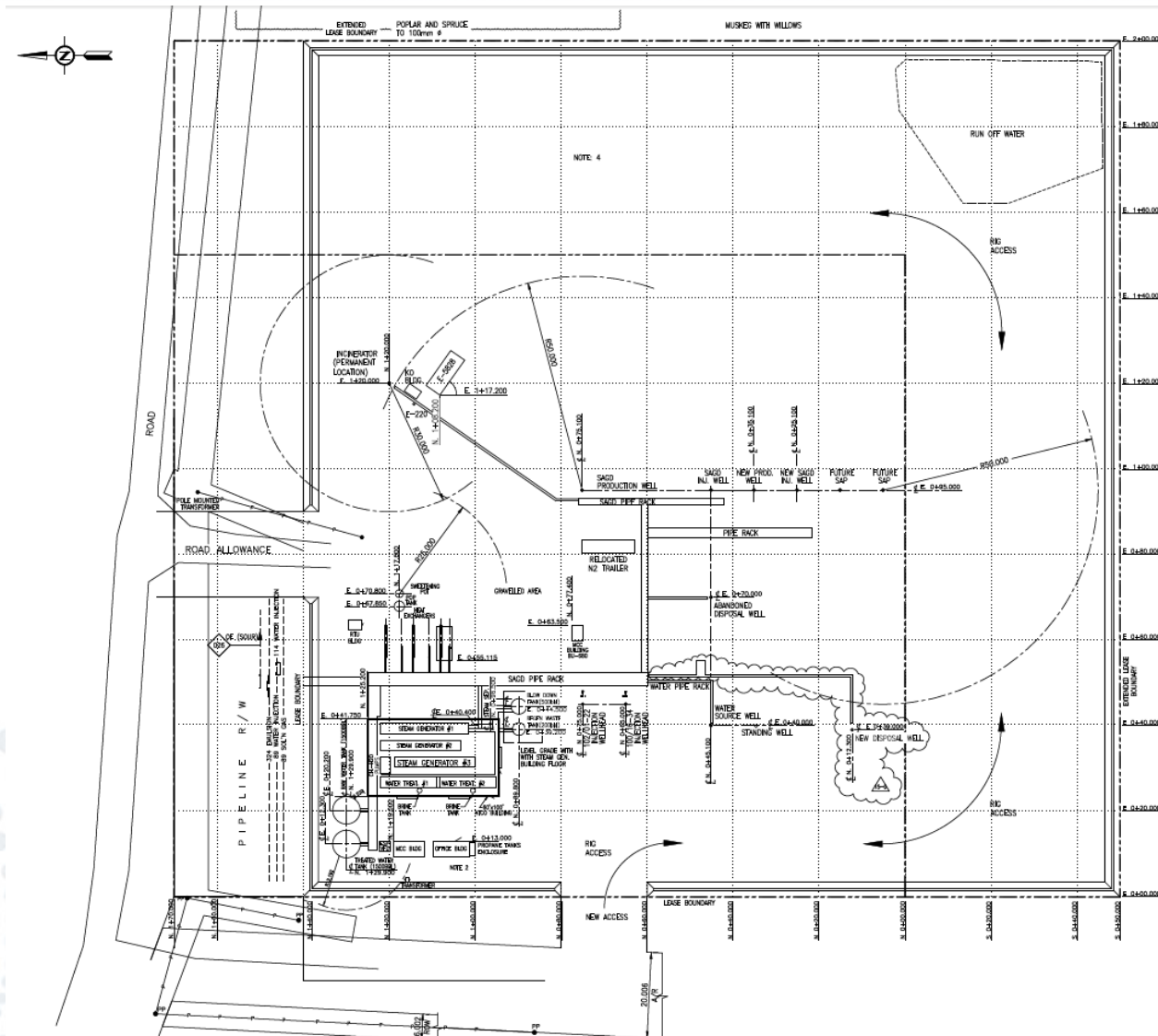
Pelican Lake SAGD Pilot
Approval 11469B

March 1, 2013 – February 28, 2014 Annual Performance Presentation

www.cenovus.com

cenovus
ENERGY

Pelican Lake SAGD Pilot – Current Site Plan



Pelican Lake SAGD Pilot - Facilities Modifications

- Casing gas heat exchanger installed and commissioned
- Added emulsion quench line water tie in and Pad 9 water tie in for cooling, to lift production constraints
- ESP Harmonics improved pump/motor performance (avoided shutdowns)
- Water Disposal Well/Water Source Well Tie-in
- Service change to the Heat Exchanger Shell & Tube
- Added in aerial cooler to increase cooling ability for casing gas produced prior to knockout tank
- Added building louver to allow venting, replaced emergency shutdown valve to allow gas flow to pilot (safety improvement & reduced shutdowns)
- Increased P300AB discharge line & heat traced
- Quench water to 26P01 annulus removed

Facilities Performance

Surface Subsection 2

Pelican Lake SAGD Pilot
Approval 11469B

March 2013 – March 2014 Annual Performance Presentation

www.cenovus.com

cenovus
ENERGY

Pelican Lake SAGD Pilot Plant Performance

- Emulsion pipeline to battery temperature limit
 - Limited to 55°C.
 - Wabiskaw produced water used to lower Pad 26 emulsion temperatures. Produced water temperature has increased from 20 to 40°C over the past 2 years.
 - Service change to the Heat Exchanger Shell & Tube – Reverse emulsion and BFW to test improved efficiency and aid in emulsion out pipeline cooling
 - Production from both WP01 and WP02 constraint reduced by installing pad 9 quench to emulsion line out

Measurement and Reporting

Surface Subsection 2

Pelican Lake SAGD Pilot
Approval 11469B

March 1, 2013 – February 28, 2014 Annual Performance Presentation

www.cenovus.com

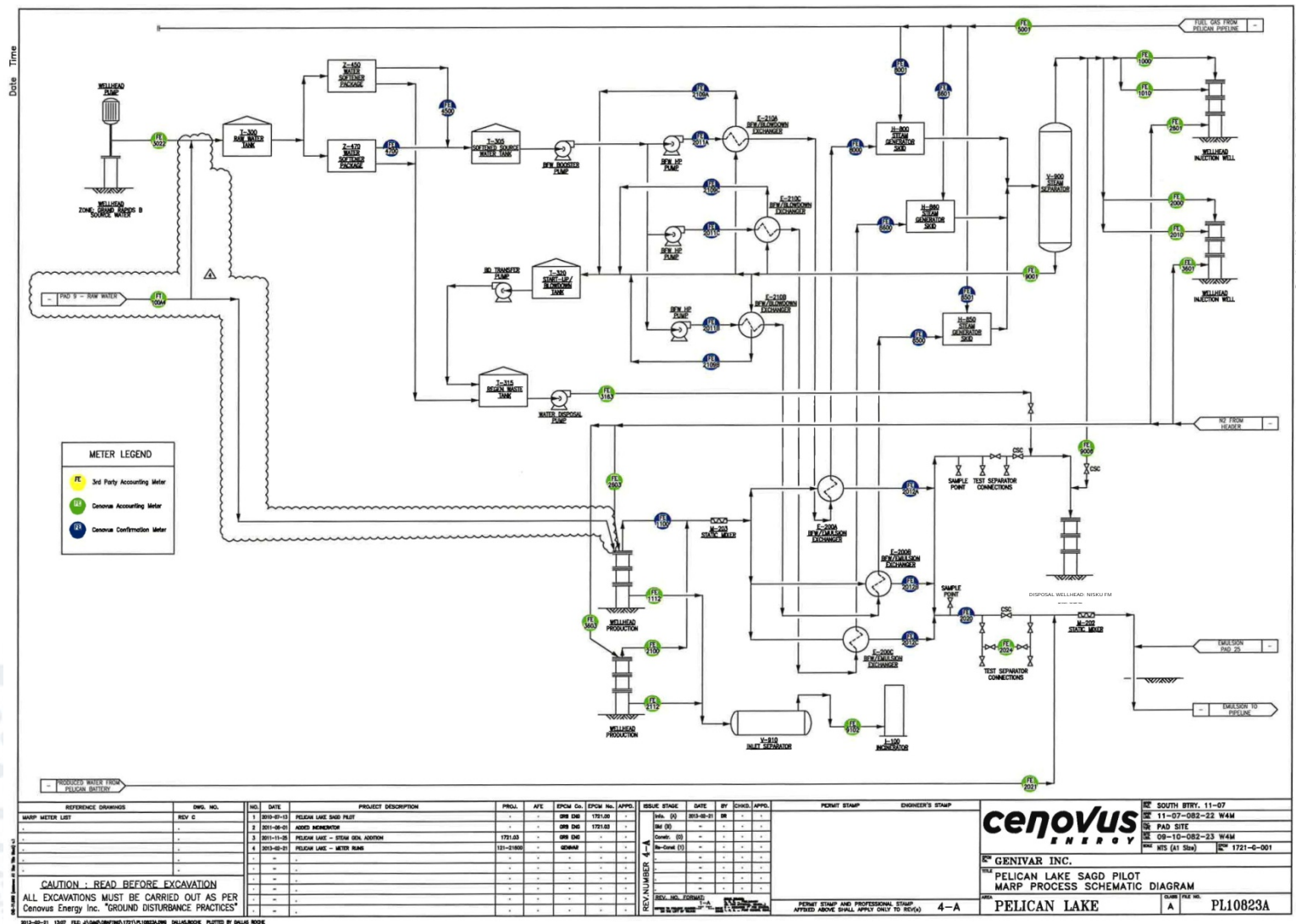
cenovus
ENERGY

Pelican Lake SAGD Pilot MARP

Updated MARP submitted February 28th, 2014

- 2013 Amendments
 - Updated Casing gas meter calculations to reflect current standard SAGD gas metering by using temperature and pressure from casing gas meters. The partial pressure theory is used to calculate steam and gas being produced from each well.
- Auditing MARP results

Pelican Lake SAGD Pilot MARP Schematic



Water Production, Injection and uses

Surface Subsection 3

Pelican Lake SAGD Pilot
Approval 11469B

March 1, 2013 – February 28, 2014 Annual Performance Presentation

www.cenovus.com

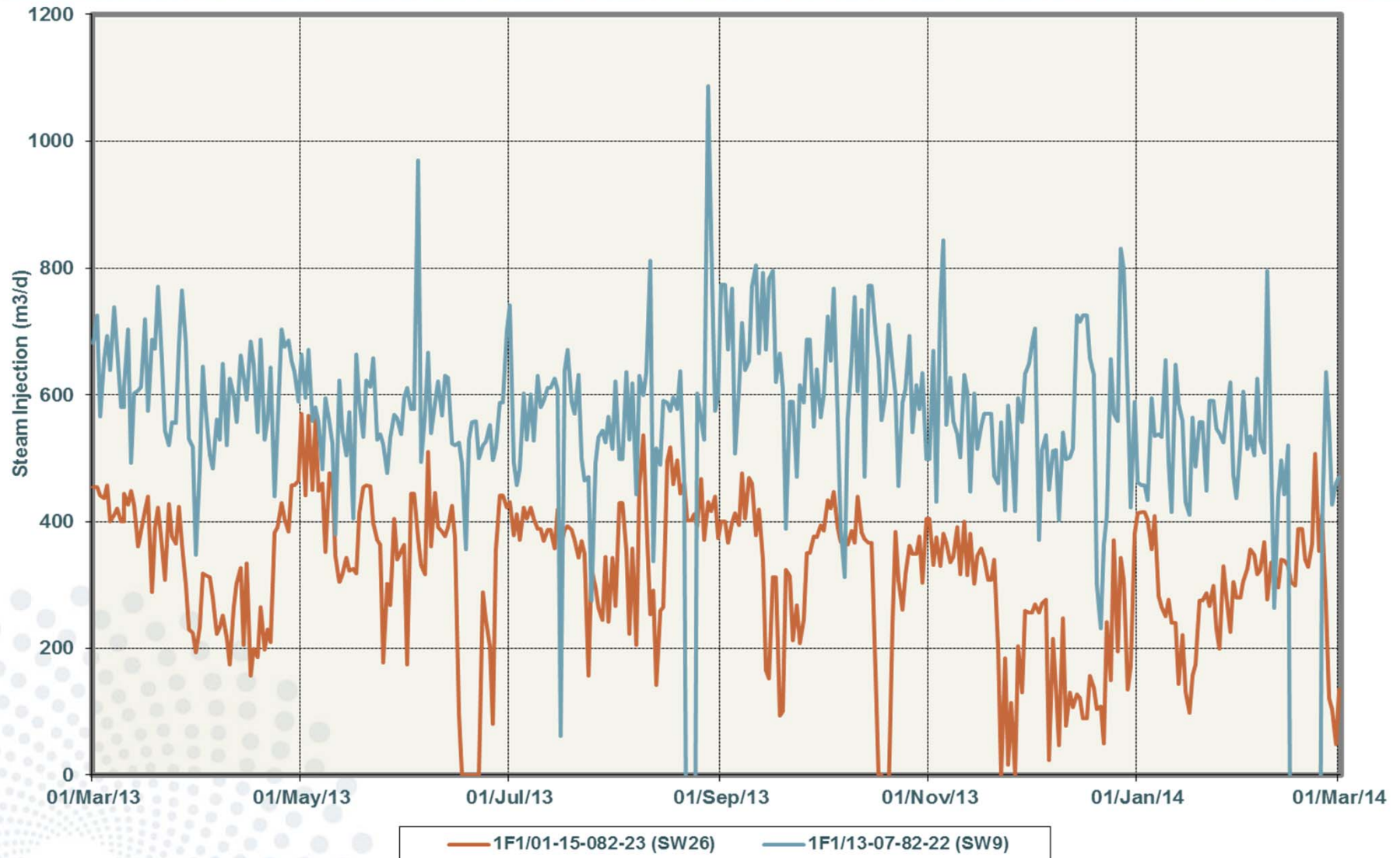
cenovus
ENERGY

Pelican Lake SAGD Pilot

Water Source Wells

- Two source water wells
 1. 1F1/01-15-082-23W4 in the Grand Rapids 'B' formation
 2. 1F1/13-07-082-22W4 in the Grand Rapids 'B' formation
- No Brackish water wells

Pelican Lake SAGD Pilot Source Water Well Rates



Water Treatment Technology

Surface Subsection 4

Pelican Lake SAGD Pilot
Approval 11469B

March 1, 2013 – February 28, 2014 Annual Performance Presentation

www.cenovus.com

cenovus
ENERGY

Pelican Lake SAGD Pilot Water Treatment Technology

- Media Filtering
- Primary Strong Acid Cation (SAC)
- Secondary SAC polisher
- Source water for brine regeneration

Water, Landfill waste and waste disposal wells

Surface Subsection 5

Pelican Lake SAGD Pilot
Approval 11469B

March 1, 2013 – February 28, 2014 Annual Performance Presentation

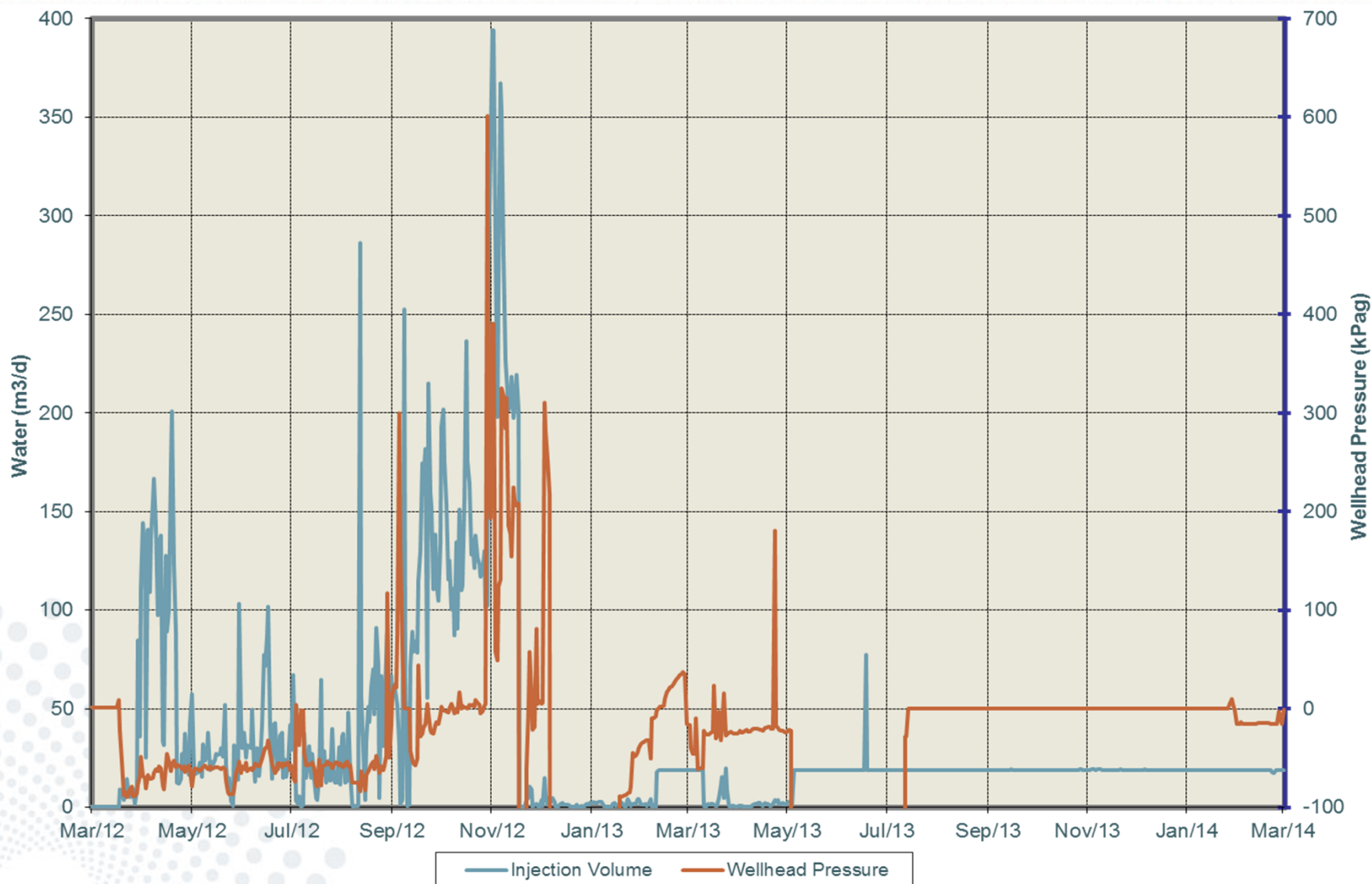
www.cenovus.com

cenovus
ENERGY

Pelican Lake SAGD Pilot Disposal Well

- Disposal well 105/12-11-082-23W4 located at Pad 26 – Abandoned July 2013
- New Disposal well 102/9-10-82-23W4 drilled and cased to Nisku Fm, July 2013
- Fluids trucked from site during 2013 until new Disposal approval received February 26, 2014

Pelican Lake SAGD Pilot Disposal Well Rates



Sulphur Production

Surface Subsection 5

Pelican Lake SAGD Pilot
Approval 11469B

March 1, 2013 – February 28, 2014 Annual Performance Presentation

www.cenovus.com

cenovus
ENERGY

Sulphur production

Quarterly sulphur emissions and facility monthly sulphur balance not generated due to following:

- Casing gas samples before the V-910 (knock-out drum) show 181ppm tested in late March 2013, however samples after March have shown less then 10ppm.
- Casing gas samples after V-910 have 10ppm or less.

Summary of Environmental Issues

Surface Subsection 6

Pelican Lake SAGD Pilot
Approval 11469B

March 1, 2013 – February 28, 2014 Annual Performance Presentation

www.cenovus.com

cenovus
ENERGY

Pelican Lake SAGD Pilot Environment Update

- November 2013:
 - Incinerator temperatures dropped below 500 °C
 - Less than 24 hours
- February 12, 2014:
 - Self-Disclosed Emulsion spill from E-200B exchanger
 - Found gate valve gasket leaking
 - 5 m3 of emulsion spilled on ground
 - 4 days to clean-up

Compliance Confirmation

Surface Subsection 7

Pelican Lake SAGD Pilot
Approval 11469B

March 1, 2013 – February 28, 2014 Annual Performance Presentation

www.cenovus.com

cenovus
ENERGY

Pelican Lake SAGD Pilot Compliance Confirmation

- No regulatory compliance issues

Future Plans

Surface Subsection 9

Pelican Lake SAGD Pilot
Approval 11469B

March 1, 2013 – February 28, 2014 Annual Performance Presentation

www.cenovus.com

cenovus
ENERGY

Pelican Lake SAGD Pilot

Future Plans

2014

- New oil cut shack to be constructed and installed in 2014
 - Audit improved data analysis/ measurement

2015

- Considering 3rd wellpair will require no additional surface disturbance

Appendix

Pelican Lake SAGD Pilot
Approval 11469B

March 1, 2013 – February 28, 2014 Annual Performance Presentation

www.cenovus.com

cenovus
ENERGY

Pelican Lake SAGD Pilot

Instrumentation In Observation Wells

Formation of Observation (Number of Wells)	Temperature only	Pressure Only	Pressure & Temperature	Sampling
Quaternary/Tertiary (3)			3	2
Viking (1)			1	1
GR"A" (11)	3	1	7	1
GR"B" (4)			4	3

19 water monitoring/observation wells for Pelican Lake SAGD Pilot

Pelican Lake SAGD Pilot SAGD Observation Wells

WELL PAIR 1 OBSERVATION WELLS				
UWI	Temperature	Pressure	Distance to WP1 Toe (m)	Lateral Distance to WP1 (m)
102/05-11-082-23W4/00	X		1200	21.4
102/13-02-082-23W4/00	X		400	4.2
103/12-02-082-23W4/00	X		10	4.0
102/08-10-082-23W4/00		X	1200	174
103/05-11-082-23W4/00	X	X	1200	52
103/06-11-082-23W4/00	X	X	1200	374

WELL PAIR 2 OBSERVATION WELLS (Temperature and Pressure)		
UWI	Distance to WP2 Toe (m)	Lateral Distance to WP2 (m)
100/01-10-082-23W4/00	940	12.0
102/16-03-082-23W4/00	530	2.4
100/09-03-082-23W4/00	175	9.8

Pelican Lake SAGD Pilot Groundwater Observation Wells

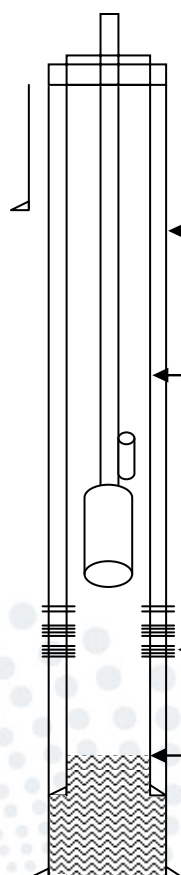
UWI	Perf. Interval TVD (m)	Zone	Lateral Difference from well pair (m)
102/03-11-082-23W4/00	228-230	GR A	408 E
103/12-11-082-23W4/00	196-198	VIKING	468 N
100/09-10-082-23W4/00	257-259 266-270 276-280	GR B	252 N
100/08-10-082-23W4/00	254-256 263-267 276-280	GR B	179 W
103/13-02-082-23W4/00	246-248 256-258 273-277	GR B	~40 E
100/04-11-082-23W4/00	253-255 263-267 277-281	GR B	~190 E
100/04-27-082-22W4/00	197-202	Tertiary	~9825 NE to the toe
100/16-03-82-23W4/00	NA	GR A	2.4 W
1F2/13-07-082-22W4/00	140.7 – 183.0	Quat/Tert	~3940 NE to the toe
16-07-082-22W4	112.2 – 116.7	Quat	~4890 NE to the toe

Appendix: Pelican Lake SAGD Pilot Observation Wellbore Schematic

ECA ECOG A8 BRINT 8-10-82-23

100/08-10-082-23W4 LSD 8-10-82-23W4M

KB= 607.7 mKB
GRD= 603.9 mKB
PBD = 326.9 mKB



Conductor:

Landed at 20 m KB / 244.5mm

Intermediate Casing:

139.7 mm , 25.30 kg/m , K-55
Landed at 342.5 mKB
Cemented to surface with Thermal Cement 2.0m3 of returns

Secondary Intermediate Casing:

88.9 mm , 13.84 kg/m , J-55
Landed at 327.26 mKB
Cemented to surface with Thermal Cement 6.1m3 of returns

Tubing String:

31.8mm, 1.697kg/m, Galvanized Steel
Landed at 193.21mKB
ESP Pump - 193.21-194.21mKB (Pressure/Temperature sensor for fluid level calculation @ 193.75mKB)

Perforations:

254-256mKB
263-267 mKB
276-280 mKB

PBD Cement Top in Secondary Intermediate Casing @ 326.9 mKB

Intended Purpose:

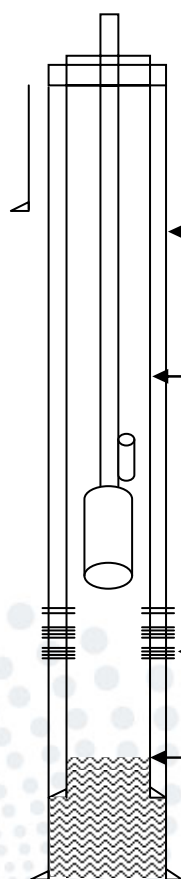
Pressure (Fluid Level), Temperature, Water quality monitoring of Grand Rapids B aquifer

Appendix: Pelican Lake SAGD Pilot Observation Wellbore Schematic

ECA ECOG A9 BRINT 9-10-82-23

100/09-10-082-23W4 LSD 9-10-82-23W4M

KB= 608.9 mKB
GRD= 605.1 mKB
PBD = 308.4 mKB



Conductor:

Landed at 20 m KB / 244.5mm

Intermediate Casing:

139.7 mm , 25.30 kg/m , K-55
Landed at 337.0 mKB
Cemented to surface with Thermal Cement 2.0m3 of returns

Secondary Intermediate Casing:

88.9 mm , 13.84 kg/m , J-55
Landed at 321.30 mKB
Cemented to surface with Thermal Cement 2.0m3 of returns

Tubing String:

31.8mm, 1.697kg/m, Galvanized Steel
Landed at 193.21mKB
ESP Pump - 193.21-196.78mKB (Pressure/Temperature sensor for fluid level calculation @ 196.32mKB)

Perforations:

257-259mKB
266-270 mKB
276-280 mKB

PBD Cement Top in Secondary Intermediate Casing @ 308.4 mKB

Intended Purpose:

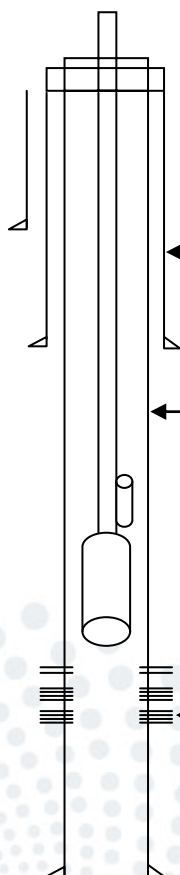
Pressure (Fluid Level), Temperature, Water quality monitoring of Grand Rapids B aquifer

Appendix: Pelican Lake SAGD Pilot Observation Wellbore Schematic

CVE BRINT 4-11-82-23

100/04-11-082-23W4 LSD 4-11-82-23W4M

KB= 608.5 mKB
GRD= 604.3 mKB
PBD = 336.0 mKB



Conductor:

Landed at 20 m KB / 406.4mm

Surface Casing:

177.8 mm , 25.30 kg/m , H-40

Landed at 99.5 mKB

Cemented to surface with Thermal Cement 1.0m3 of returns

Intermediate Casing:

114.3 mm , 17.26 kg/m , L-80

Landed at 335.9 mKB

Cemented to surface with Thermal Cement 4.0m3 of returns

Tubing String:

31.8mm, 1.697kg/m, Galvanized Steel

Landed at 194.35mKB

ESP Pump - 194.35 - 195.35mKB (Pressure/Temperature sensor for fluid level calculation @ 193.89mKB)

Perforations:

253-255 mKB

263-267 mKB

277-281 mKB

Intended Purpose:

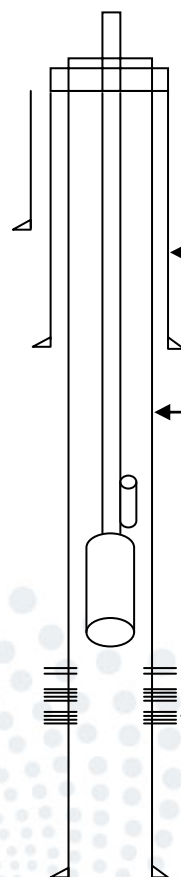
Pressure (Fluid Level), Temperature, Water quality monitoring of Grand Rapids B aquifer

Appendix: Pelican Lake SAGD Pilot Observation Wellbore Schematic

CVE 2C13 BRINT 13-2-82-23

103/13-02-082-23W4 LSD 13-2-82-23W4M

KB= 601.2 mKB
GRD= 596.9 mKB
PBD = 328.0 mKB



Conductor:

Landed at 20 m KB / 406.4mm

Surface Casing:

177.8 mm , 25.30 kg/m , H-40

Landed at 86.25 mKB

Cemented to surface with Thermal Cement 1.5m3 of returns

Intermediate Casing:

114.3 mm , 17.26 kg/m , L-80

Landed at 328.0 mKB

Cemented to surface with Thermal Cement 4.0m3 of returns

Tubing String:

31.8mm, 1.697kg/m, Galvanized Steel

Landed at 194.05mKB

ESP Pump - 194.05 - 195.05mKB (Pressure/Temperature sensor for fluid level calculation @ 193.77mKB)

Perforations:

246-248 mKB

256-258 mKB

273-277 mKB

Intended Purpose:

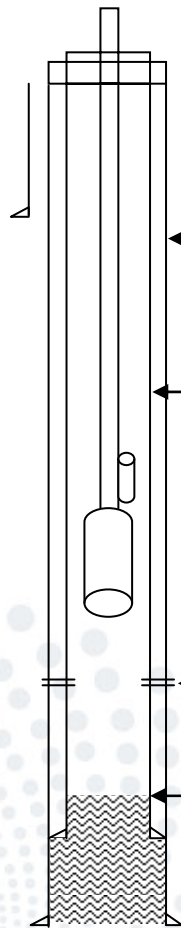
Pressure (Fluid Level), Temperature, Water quality monitoring of Grand Rapids B aquifer

Appendix: Pelican Lake SAGD Pilot Observation Wellbore Schematic

ECA ECOG B3 BRINT 3-11-82-23

102/03-11-082-23W4 LSD 3-11-82-23W4M

KB= 611.7 mKB
GRD= 607.9 mKB
PBD = 326.0 mKB



Conductor:

Landed at 20 m KB / 244.5mm

Intermediate Casing:

139.7 mm , 25.30 kg/m , K-55
Landed at 345.0 mKB
Cemented to surface with Thermal Cement 2.0m3 of returns

Secondary Intermediate Casing:

88.9 mm , 13.84 kg/m , J-55
Landed at 329.66 mKB
Cemented to surface with Thermal Cement 2.0m3 of returns

Tubing String:

31.8mm, 1.697kg/m, Galvanized Steel
Landed at 149.1mKB
ESP Pump - 149.1-150.0mKB (Pressure/Temperature sensor for fluid level calculation @ 149.5mKB)

Perforations:

228-230mKB

PBD Cement Top in Secondary Intermediate Casing @ 326.0 mKB

Intended Purpose:

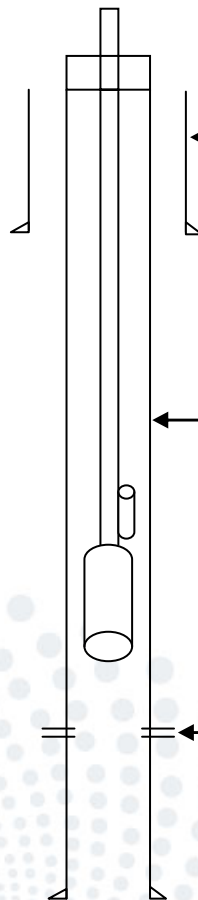
Pressure (Fluid Level), Temperature, Water quality monitoring of Grand Rapids A aquifer

Appendix: Pelican Lake SAGD Pilot Observation Wellbore Schematic

CVE C12 BRINT 12-11-82-23

103/12-11-082-23W4 LSD 12-11-82-23W4M

KB= 606.3 mKB
GRD= 602.3 mKB
PBD = 335.0 mKB



Conductor:

Landed at 22 m KB / 244.5mm

Intermediate Casing:

114.3 mm , 17.26 kg/m , L-80
Landed at 335.0 mKB
Cemented to surface with Thermal Cement 2.0m3 of returns

Tubing String:

31.8mm, 1.697kg/m, Galvanized Steel
Landed at 150.0mKB
ESP Pump - 150.0 - 151.0mKB (Pressure/Temperature sensor for fluid level calculation @ 150.4mKB)

Perforations:

196-198 mKB

Intended Purpose:

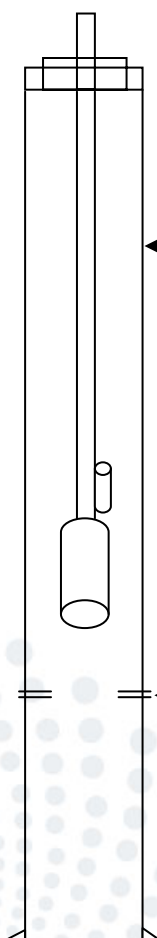
Pressure (Fluid Level), Temperature, Water quality monitoring of Viking aquifer

Appendix: Pelican Lake SAGD Pilot Observation Wellbore Schematic

ECA ECOG B3 BRINT 4-27-82-22

100/04-27-082-22W4 LSD 4-27-82-22W4M

KB= 627.00 mKB
GRD= 622.9 mKB
TD = 341.0 mKB



Surface Casing:

177.8 mm , 25.30 kg/m , H-40
Landed at 166.0 mKB

Intermediate Casing:

114.3 mm , 22,471 kg/m , L-80
Landed at 341.0 mKB
Cemented to surface with Thermal Cement 2.0m3 of returns

Tubing String:

33.4mm, 2.53kg/m, C-75 Galvanized Steel
Landed at 172.5mKB
ESP Pump - 173.5mKB (Pressure/Temperature sensor for fluid level calculation @ 172.5mKB)

Perforations:

197.0-202.0 mKB

Intended Purpose:

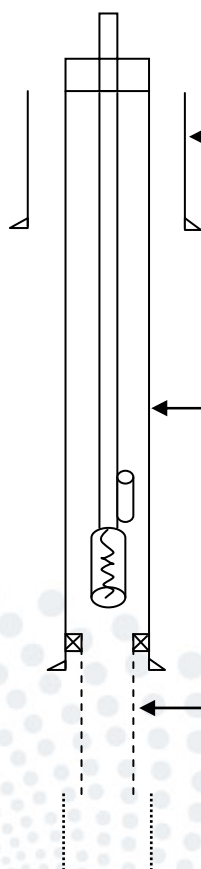
Pressure (Fluid Level), Temperature, Water quality monitoring of Tertiary aquifer

Appendix: Pelican Lake SAGD Pilot Observation Wellbore Schematic

CVE WS2 BRINT 13-7-82-22

1F2/13-07-082-22W4 LSD 13-7-82-22W4M

KB= 623.9 mKB
GRD= 620.4 mKB
PBTB = 191.0 mKB



Conductor:

Landed at 20 m KB / 406.4mm

Intermediate Casing:

219.1 mm , 35.72 kg/m , J-55
Landed at 152.0mKB
Cemented to surface with Thermal Cement 2.0m3 of returns

Tubing String:

88.9mm, 13.84kg/m, J-55
Landed at 140.0mKB
PCP landed @ 126.4mKB (Pressure/Temperature sensor for fluid level calculation @ 97.0mKB)

Liner:

139.7mm, 29.48kg/m, J-55
0.381mm slot size (15 thou)
Set depth 140.69 - 183 mKB (open hole from 183 - 191 mKB)

Intended Purpose:

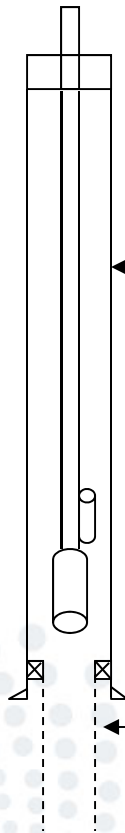
Pressure (Fluid Level), Temperature, Water quality monitoring of Quaternary/Tertiary aquifer (well pumping consistently as it provides fresh water for current Wabiskaw polymer flood in the area)

Appendix: Pelican Lake SAGD Pilot Observation Wellbore Schematic

2003 Camp Water Supply Well No. 16-07

NE-07-082-22W4 LSD 16-7-82-22W4M

PBTD = 117.0 mKB



Intermediate Casing:

152.4 mm, Plastic (PVC)
Landed at 112.2mKB
Bentonite Chips/Tablets to 106.68mKB

Tubing String:

31.75mm, Plastic (PVC)
Landed at 140.0mKB
ESP landed @ 100.6mKB (Pressure/Temperature sensor for fluid level calculation @ 95.0mKB)

Liner:

152.4mm, Stainless Steel
0.381mm slot size (15 thou)
Set depth 112.2 - 116.7mKB

Intended Purpose:

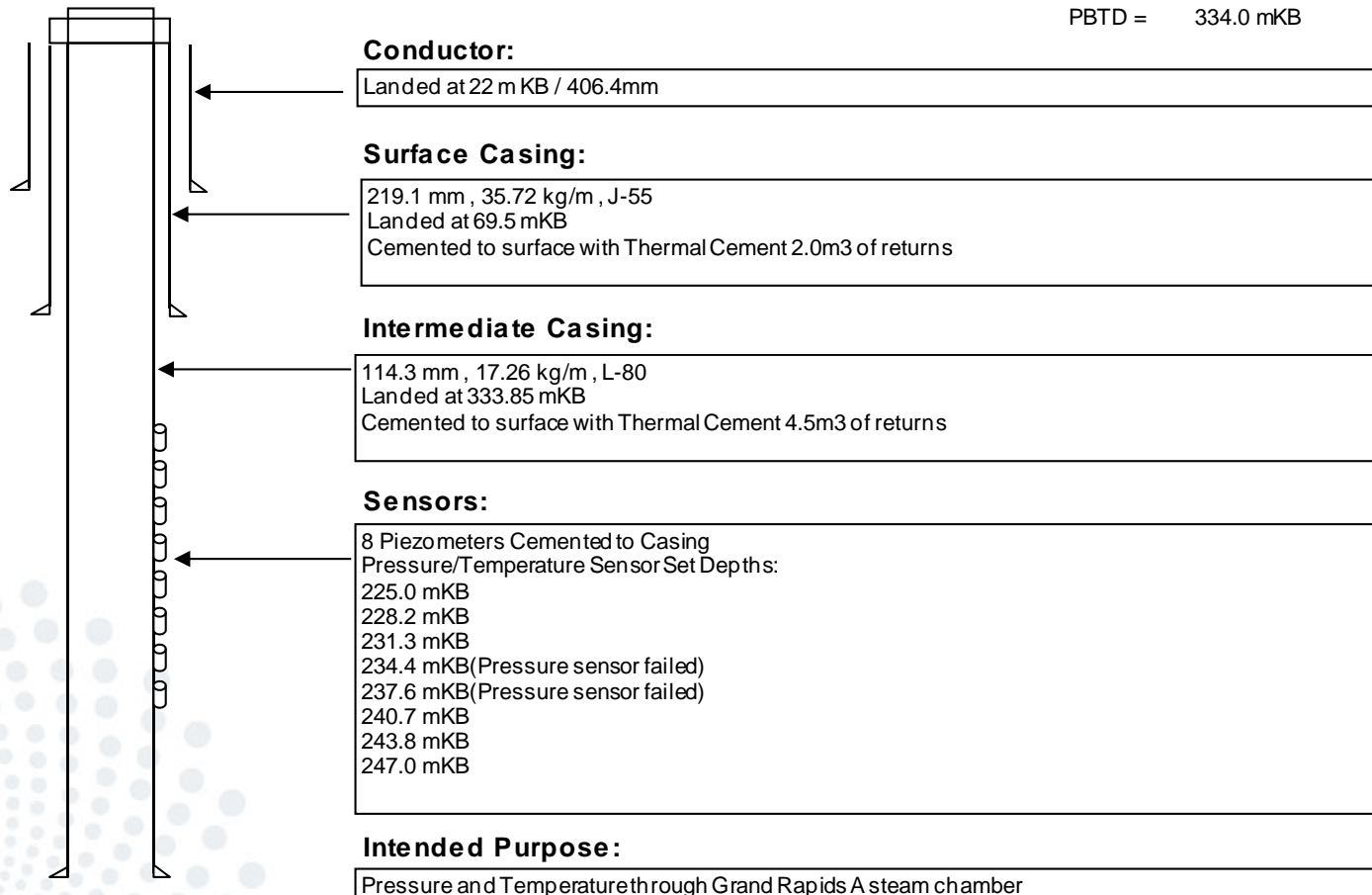
Pressure (Fluid Level), Temperature, Water quality monitoring of Quaternary aquifer (well pumping consistently as it provides fresh water Pelican Lake Camp)

Appendix: Pelican Lake SAGD Pilot Observation Wellbore Schematic

CVE BRINT 8-10-82-23

102/08-10-082-23W4 LSD 8-10-82-23W4M

KB= 607.8 mKB
GRD= 603.6 mKB
PBD = 334.0 mKB

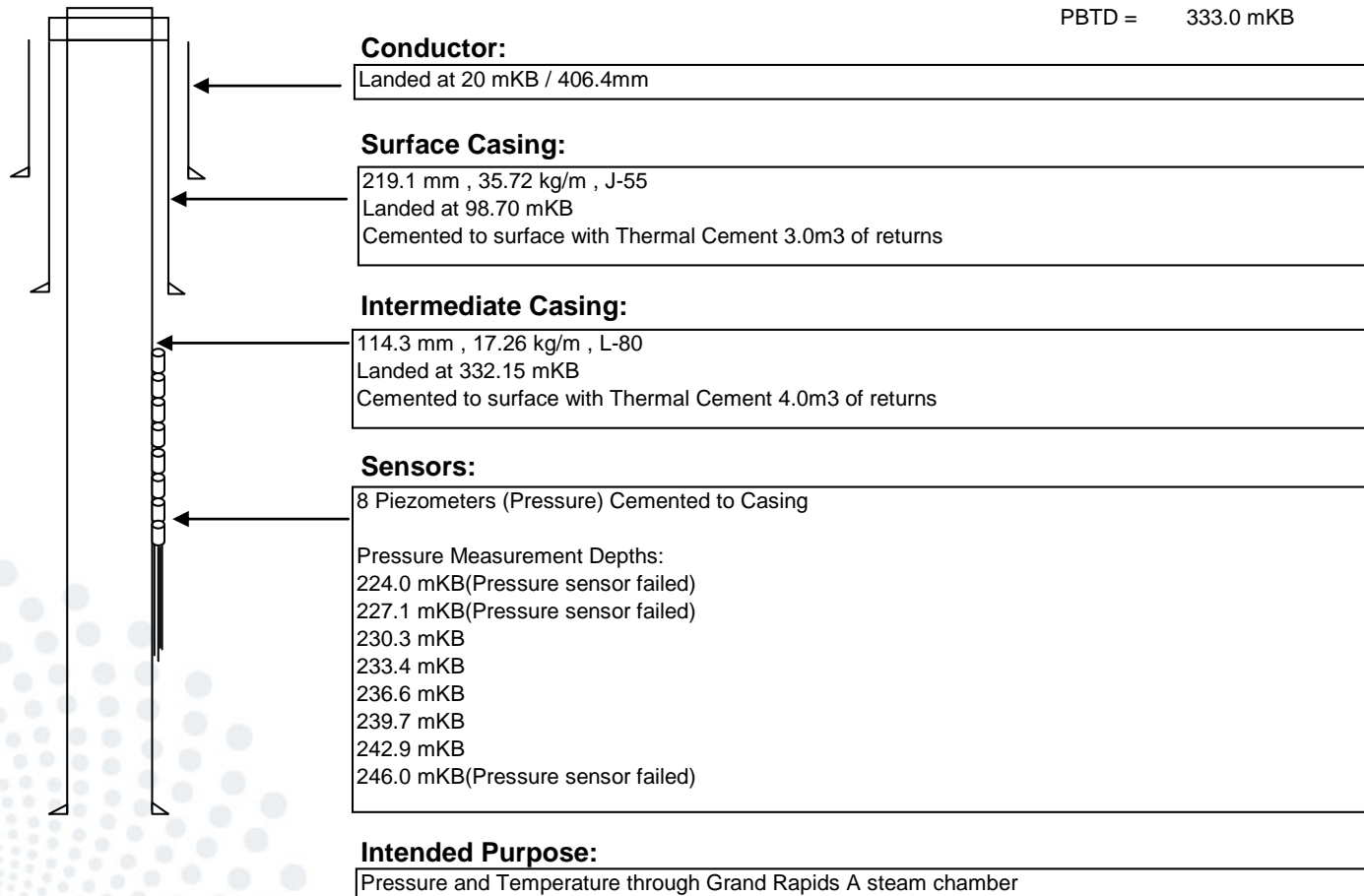


Appendix: Pelican Lake SAGD Pilot Observation Wellbore Schematic

CVE 2B BRINT 5-11-82-23

103/05-11-082-23W4 LSD 5-11-82-23W4M

KB= 606.4 mKB
GRD= 602.4 mKB
PBD = 333.0 mKB

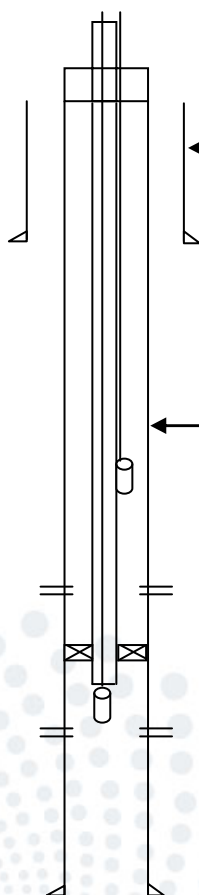


Appendix: Pelican Lake SAGD Pilot Observation Wellbore Schematic

CVE B6 BRINT 6-11-82-23

103/06-11-082-23W4 LSD 6-11-82-23W4M

KB= 611.3 mKB
GRD= 607.3 mKB
PBSD = 339.5 mKB



Conductor:

Landed at 25 m KB / 244.5mm

Intermediate Casing:

177.8 mm , 38.69 kg/m , L-80

Landed at 339.5 mKB

Cemented to surface with Thermal Cement 2.0m3 of returns

Tubing String:

73.0 mm, 9.67kg/m, J-55

Landed at 241.92mKB

Packer to isolate zones landed at 236.49mKB

Pressure/Temperature Sensor banded to tubing at 208.2mKB (above packer)

Pressure/Temperature Sensor deployed through tubing landed at 241.6mKB (below packer)

Perforations:

228-230 mKB

244-246 mKB

Intended Purpose:

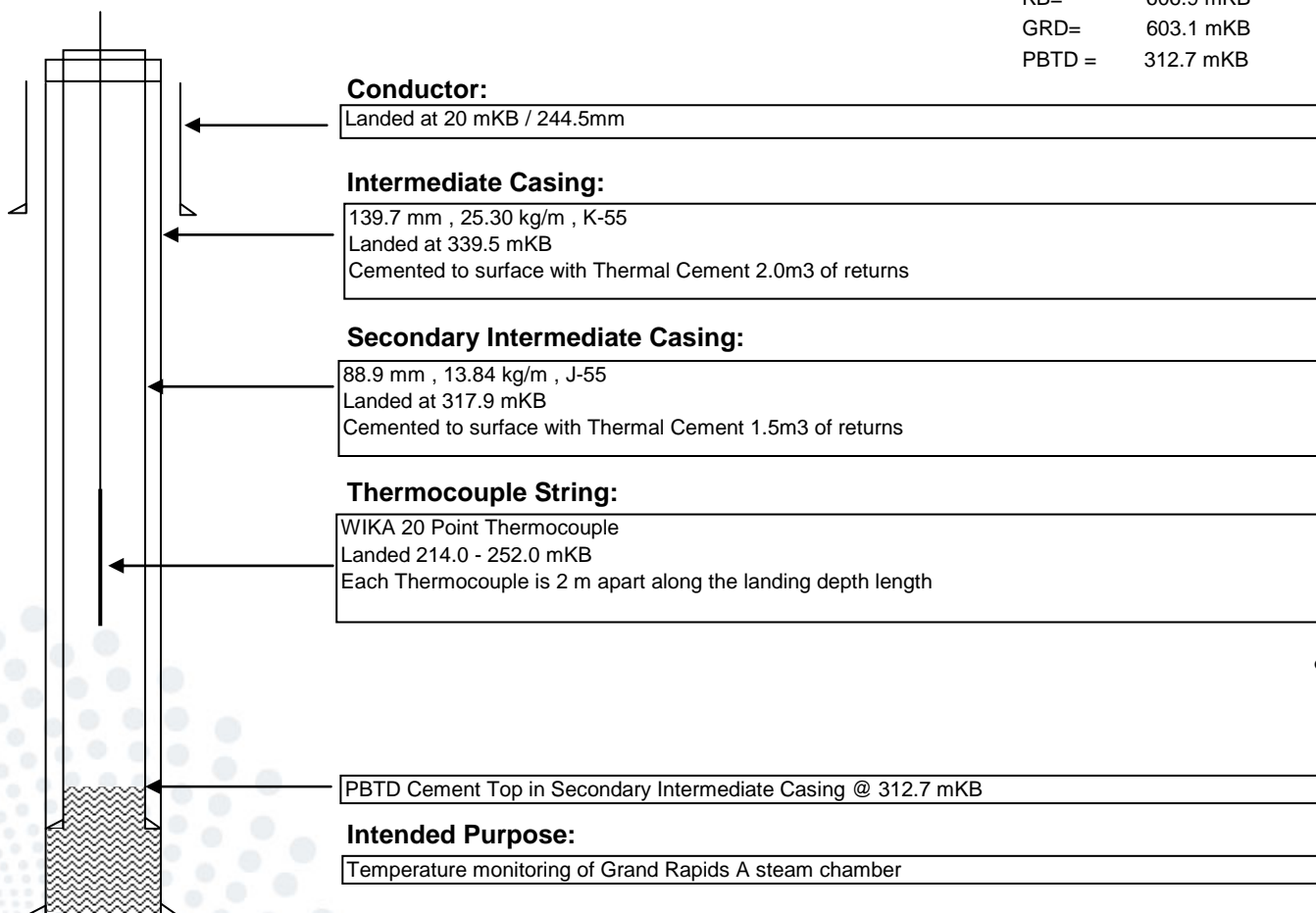
Pressure (Fluid Level) and Temperature monitoring of Grand Rapids A zone

Appendix: Pelican Lake SAGD Pilot Observation Wellbore Schematic

ECA ECOG B5 BRINT 5-11-82-23

102/05-11-082-23W4 LSD 5-11-82-23W4M

KB= 606.9 mKB
GRD= 603.1 mKB
PBSD = 312.7 mKB



- **Note:**
Thermocouples
failed August
2013 to
February 2014

Appendix: Pelican Lake SAGD Pilot Observation Wellbore Schematic

ECA ECOG C13 BRINT 13-2-82-23

102/13-02-082-23W4 LSD 13-2-82-23W4M

KB= 601.0 mKB
GRD= 596.9 mKB
PBSD = 328.0 mKB

Conductor:

Landed at 23 mKB / 244.5mm

Intermediate Casing:

177.8 mm , 38.69 kg/m , L-80
Landed at 328.0 mKB
Cemented to surface with Thermal Cement 2.0m3 of returns

Thermocouple String:

WIKA 20 Point Thermocouple
Landed 209.0 - 247.0 mKB
Each Thermocouple is 2 m apart along the landing depth length

Intended Purpose:

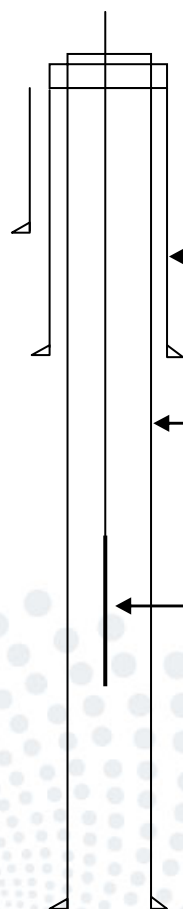
Temperature monitoring of Grand Rapids A steam chamber

Appendix: Pelican Lake SAGD Pilot Observation Wellbore Schematic

CVE BRINTNELL 12-2-82-23

103/12-02-082-23W4 LSD 12-2-82-23W4M

KB= 599.9 mKB
GRD= 595.7 mKB
PBSD = 325.0 mKB



Conductor:

Landed at 24.2 m KB / 406.4mm

Surface Casing:

177.8 mm , 25.30 kg/m , H-40
Landed at 86.25 mKB
Cemented to surface with Thermal Cement 2.0m3 of returns

Intermediate Casing:

114.3 mm , 17.26 kg/m , L-80
Landed at 324.0 mKB
Cemented to surface with Thermal Cement 1.0m3 of returns

Thermocouple String:

WIKA 20 Point Thermocouple
Landed 209.0 - 247.0 mKB
Each Thermocouple is 2 m apart along the landing depth length

Intended Purpose:

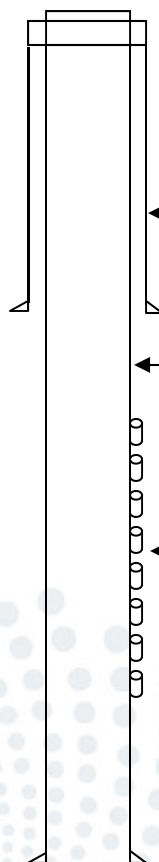
Temperature monitoring of Grand Rapids A steam chamber

Appendix: Pelican Lake SAGD Pilot Observation Wellbore Schematic

CVE BRINT 1-10-82-23

100/01-10-082-23W4 LSD 1-10-82-23W4M

KB= 607.1 mKB
GRD= 603.0 mKB
PBD = 334.0 mKB



Surface Casing:

219.1 mm , 35.72 kg/m , J-55
Landed at 117 mKB
Cemented to surface with Thermal Cement 4.0m3 of returns

Intermediate Casing:

114.3 mm , 17.26 kg/m , L-80
Landed at 334 mKB
Cemented to surface with Thermal Cement 3.0m3 of returns

Sensors:

8 Piezometers Cemented to Casing
Pressure/Temperature Sensor Set Depths:
221.1.0 mKB
225.8 mKB
228.8 mKB
231.9 mKB
235.0 mKB
237.7 mKB
240.5 mKB
243.0 mKB

Intended Purpose:

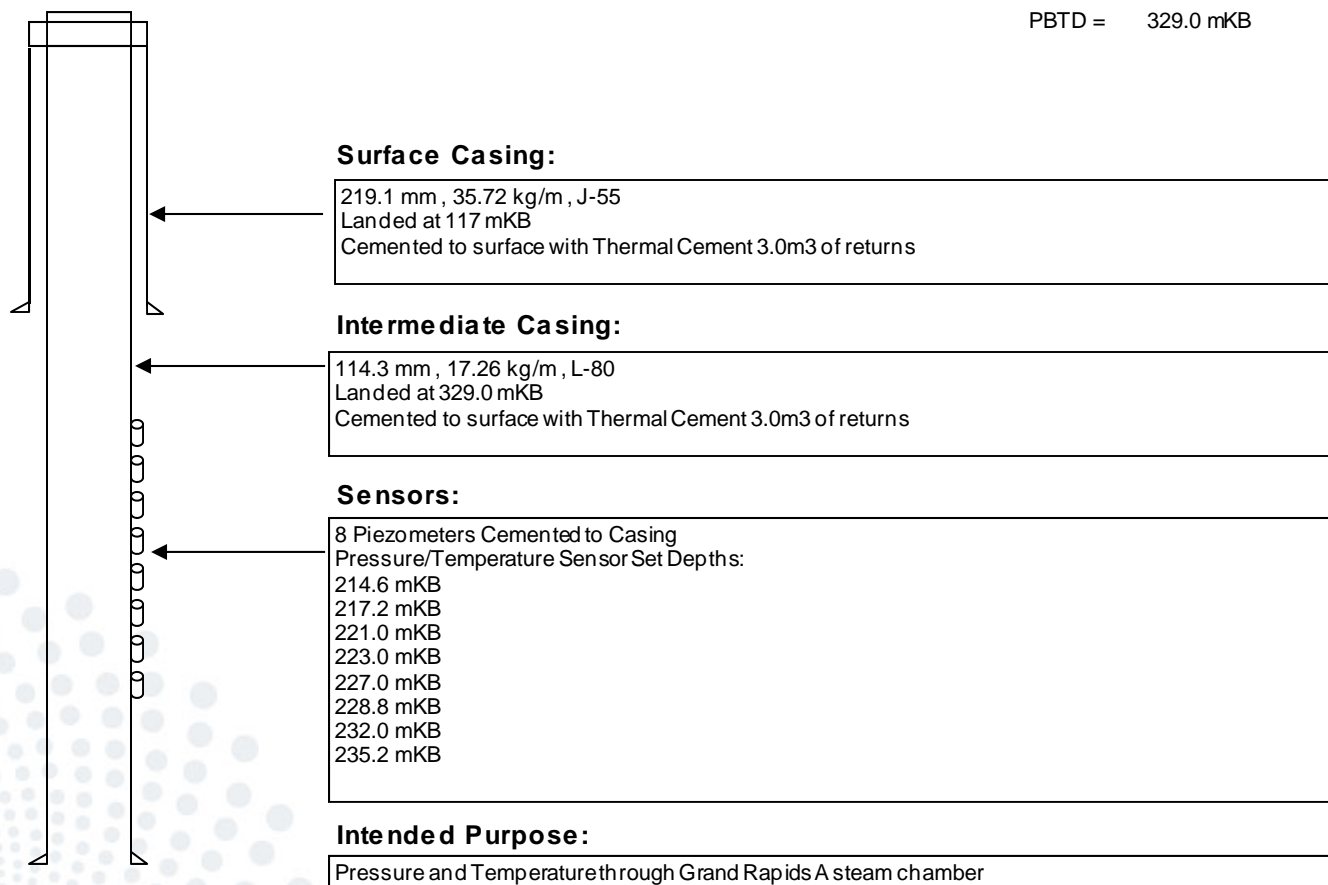
Pressure and Temperature through Grand Rapids A steam chamber

Appendix: Pelican Lake SAGD Pilot Observation Wellbore Schematic

CVE BRINT 16-3-82-23

102/16-03-082-23W4 LSD 16-3-82-23W4M

KB= 602.0 mKB
GRD= 597.9 mKB
PBSD = 329.0 mKB

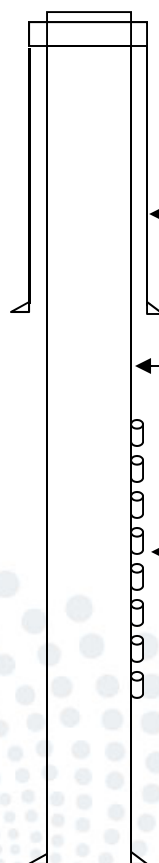


Appendix: Pelican Lake SAGD Pilot Observation Wellbore Schematic

CVE BRINT 9-3-82-23

100/09-03-082-23W4 LSD 9-3-82-23W4M

KB= 598.5 mKB
GRD= 594.4 mKB
PBSD = 325.0 mKB



Surface Casing:

219.1 mm , 35.72 kg/m , J-55
Landed at 119.0 mKB
Cemented to surface with Thermal Cement 3.0m3 of returns

Intermediate Casing:

114.3 mm , 17.26 kg/m , L-80
Landed at 325.0 mKB
Cemented to surface with Thermal Cement 3.0m3 of returns

Sensors:

8 Piezometers Cemented to Casing
Pressure/Temperature Sensor Set Depths:
211.1 mKB
213.6 mKB
218.1 mKB
221.9 mKB
226.3 mKB
228.9 mKB
232.9 mKB
236.1 mKB

Intended Purpose:

Pressure and Temperature through Grand Rapids A steam chamber

Appendix: Pelican Lake SAGD Pilot Observation Wellbore Schematic

CVE BRINT 16-3-82-23

100/16-03-082-23W4 LSD 16-3-82-23W4M

