
MADE at the City of Calgary, in the
Province of Alberta, on

July 22, 2015

ALBERTA ENERGY REGULATOR

Under the *Oil and Gas Conservation Act*

Under section 3 of the *Oil Sands Conservation Rules*

Whereas on August 15, 2011, Cenovus Energy Inc. (Cenovus) filed Application No. 1697705 (the Application) with the Alberta Energy Regulator (AER), requesting that the AER approve gas production from 20 Wabiskaw intervals in 13 wells in the Ells and Tar Fields, located in the northern part of the Athabasca Oil Sands Area;

Whereas on February 20, 2014, the AER authorized Cenovus to withdraw the Application;

Whereas the AER continued its review of the potential risk that gas production in the Ells and Tar Fields might pose to the ultimate recovery of crude bitumen;

Whereas on February 6, 2015, the AER notified the respective licensees of 33 wells of the AER's interpretation that gas production from 50 intervals within those wells might pose a risk to the ultimate recovery of crude bitumen and should be considered for inclusion on a shut-in order. The licensees were requested to provide any reasons they had for believing that an interval or intervals in their wells should not be included on a shut-in order;

Whereas Cenovus, the licensee of 36 intervals in 23 wells, indicated that it would not object to the proposed shut in of its gas production;

Whereas Athabasca Oil Sands Corp., the licensee of 2 intervals in 1 well, indicated it supported the proposed shut in of gas production;

Whereas no other licensee responded to indicate that it disagreed with the AER's interpretation and proposed course of action, or that it required further process on the question of gas production from its wells in the Ells or Tar Field;

Whereas on June 5, 2015, the AER initiated Proceeding No. 1831473, for the purpose of considering the production status of wells in the Ells and Tar Fields;

Whereas the AER has stated in previous decisions that there is a conservation risk to bitumen from gas production from wells that are in communication with potentially recoverable bitumen, and the AER believes that conservation risk arises with respect to the wells considered in Proceeding No. 1831473.

Therefore, for the purpose of effecting the conservation of crude bitumen in the Wabiskaw-McMurray of the Athabasca Oil Sands Area, the AER hereby orders that:

1. The licensees of the wells listed in Table 1 attached to this Order, or their respective successors, shall shut in or cause to remain shut in (as the case may be) the particular intervals listed in Table 1 attached to this Order, effective the 26th day of July, 2015.
2. In overlapping gas pools, where one pool is allowed to produce and another pool or other pools are required to be or remain shut in, the pools must be segregated in all the wellbores that encounter a

pool that is allowed to produce. Zonal segregation tests demonstrating segregation in the wellbores shall be conducted and submitted to the AER in accordance with subsections 11.150(1) and (2) of the *Oil and Gas Conservation Rules*. If segregation between pools in all the wellbores is not achieved or is not demonstrated by zonal segregation tests that are submitted to the AER, then all pools encountered by the wellbores must be or must remain shut in (as the case may be).

3. This Order supersedes any previously issued orders or approvals respecting commingled production of Wabiskaw-McMurray gas from the intervals listed in Table 1.

Dated in Calgary, Alberta, on this 22nd day of July, 2015.

ALBERTA ENERGY REGULATOR

<original signed by>

Andrew MacPherson, P. Eng
Director, In Situ Authorizations

Table 1. Shut-in Order 15-001

Company Abbreviations

AOSC	Athabasca Oil Sands Corp.
BP	BP Canada Energy Group ULC
Canadian O&G	Canadian Oil & Gas International Inc.
Cenovus	Cenovus Energy Inc.
Chevron	Chevron Canada Petroleum Limited
CNRL	Canadian Natural Resources Limited
Imperial	Imperial Oil Resources Limited
Regent	Regent Refining (Canada) Limited
Twin Butte	Twin Butte Energy Ltd.

Shut-in Intervals

Field Name	Pool Name	Well ID	Pay Top Depth (TVD)	Pay Base Depth (TVD)	Licensee
Ells	Wabiskaw C	00/04-26-094-16W4/0	226	228.2	Chevron
	Wabiskaw C	00/04-26-094-16W4/0	229.7	230.4	Chevron
	Wabiskaw C	00/11-02-095-16W4/0	248	252	Chevron
	Wabiskaw C	00/11-02-095-16W4/0	258	258.6	Chevron
	Wabiskaw C	00/14-09-096-15W4/0	285.7	286.3	Imperial
	Wabiskaw C	00/12-01-097-16W4/0	454.6	456	Canadian O&G
	Wabiskaw C	00/12-01-097-16W4/0	461	461.5	Canadian O&G
	Wabiskaw C	00/01-03-097-16W4/0	447	450.7	Cenovus
	Wabiskaw C	00/01-03-097-16W4/0	455.4	458.2	Cenovus
	Wabiskaw C	00/01-03-097-16W4/0	461.5	464.8	Cenovus
	Wabiskaw C	00/01-15-097-16W4/0	423.4	426.3	Canadian O&G
	Wabiskaw C	00/03-16-097-16W4/0	370	373.1	Regent
	Wabiskaw U/D - 001	00/05-07-094-15W4/0	181	181.5	CNRL
	Tar	Wabiskaw N	00/01-31-098-13W4/0	525.5	528.7
Wabiskaw N		00/02-20-098-14W4/0	557.5	560.5	Cenovus
Wabiskaw N		00/06-31-098-14W4/0	515.9	516.3	Cenovus
Wabiskaw N		00/15-09-098-15W4/0	502.8	503.8	Cenovus
Wabiskaw N		00/13-12-098-15W4/0	509	512.4	Cenovus
Wabiskaw N		00/15-15-098-15W4/0	515.9	518.8	Cenovus
Wabiskaw N		00/08-19-098-15W4/0	475.1	475.9	Cenovus
Wabiskaw N		00/12-24-098-15W4/0	529.7	533	Cenovus
Wabiskaw N		00/01-28-098-15W4/0	494.3	499.7	Cenovus
Wabiskaw N		00/03-28-098-15W4/0	463.6	467.2	AOSC
Wabiskaw N		00/06-35-098-15W4/0	503	505.3	Cenovus
Wabiskaw N		00/04-22-099-14W4/0	521.4	526.2	Cenovus
Wabiskaw N		00/12-24-099-14W4/0	530.8	534.1	Cenovus
Wabiskaw N		00/12-28-099-14W4/0	509.8	511.2	Cenovus
Wabiskaw N		00/02-30-099-14W4/0	494.2	495	Cenovus
Wabiskaw N		00/09-14-099-15W4/0	470.2	471	Cenovus
Wabiskaw O	00/06-13-099-14W4/0	525	526	Cenovus	
Wabiskaw O	00/03-14-099-14W4/0	513.5	517.8	Cenovus	
Wabiskaw R	00/02-20-098-14W4/0	550	552	Cenovus	

Field Name	Pool Name	Well ID	Pay Top Depth (TVD)	Pay Base Depth (TVD)	Licensee
	Wabiskaw R (cont.)	00/06-31-098-14W4/0	509.2	510	Cenovus
	Wabiskaw R	00/05-33-098-14W4/0	519.4	520.7	Cenovus
	Wabiskaw R	00/03-35-098-14W4/0	527.3	529.3	Cenovus
	Wabiskaw R	00/15-09-098-15W4/0	500	501.7	Cenovus
	Wabiskaw R	00/15-15-098-15W4/0	514.2	515	Cenovus
	Wabiskaw R	00/08-19-098-15W4/0	470.8	474	Cenovus
	Wabiskaw R	00/12-24-098-15W4/0	524	525.2	Cenovus
	Wabiskaw R	00/06-35-098-15W4/0	497.8	498.4	Cenovus
	Wabiskaw R	00/09-03-099-14W4/0	513.5	515.8	Cenovus
	Wabiskaw U/D - 001	00/11-12-098-13W4/0	379.2	380.1	BP
	Wabiskaw U/D - 002	00/15-14-101-13W4/0	532.5	534	Cenovus
	Wabiskaw U/D - 003	00/05-33-098-14W4/0	530.1	534.2	Cenovus
	Wabiskaw U/D - 004	00/15-15-098-15W4/0	522.7	527.7	Cenovus
	Wabiskaw U/D - 005	00/03-28-098-15W4/0	470.2	471.4	AOSC
	Wabiskaw U/D - 006	00/06-35-098-15W4/0	505.7	507.2	Cenovus
	Wabiskaw U/D - 007	00/06-31-098-14W4/0	517	520.1	Cenovus
	Wabiskaw U/D - 067	00/12-08-098-13W4/0	436.8	437.9	Cenovus
	Wabiskaw U/D - 087	00/03-28-100-14W4/0	424.9	427.9	Twin Butte