

Vermilion Energy Inc 520 3 Ave SW Suite 3500, Calgary, AB T2P 0R3 (403) 269-4884

February 21, 2020

Manitoba Growth, Enterprise and Trade Petroleum Branch Box 1359, 590 Wellington Street East Virden, MB ROM 2C0

Attention: Petroleum Inspectors

RE: Application for an Oil Battery Permit 12-16-016-27W1M

Vermilion Energy Inc. (Vermilion) is submitting a request for an oil battery permit for 12-16-016-27W1M; as part of the requirements the following information is submitted with the application.

- a. the application fee of \$1,000.00 (payable to the Minister of Finance)
- b. the performance deposit;
- one copy of a survey plan of the battery location;
- d. the names and addresses of all landowners and occupants within 1.5 km of the proposed site of the battery and a description of the applicant's consultations with those landowners and occupants, including summary of any concerns raised during the consultation and all actions taken or proposed to be taken by the applicant to address the concerns of the landowners and occupants;
- e. an estimate of the production rates of oil, water and gas for the battery, including the estimated volume of gas.
 - i. used for fuel,
 - ii. flared, or
 - iii. vented;
- f. representative gas analysis for the battery;
- g. the specifications of any process vessel to be used, including the name of the manufacturer, dimensions, Canadian Registration Number (CRN), minimum and maximum flow capacity and design and estimated operating pressure and temperature;
- h. details of well testing facilities associated with the battery, including the method, frequency, and duration of well testing;



- i. details of the flare and vapour recovery systems for the battery;
- j. where the applicant proposes to vent gas containing hydrogen sulphide (H2S),
 - i. reasons why the gas cannot be flared,
 - ii. specific actions to be taken to minimize the volume of gas vented, and
 - iii. the method of controlling off-lease odours;
- k. air dispersion modeling for the battery where gas production will contain hydrogen sulphide;
- I. a plot drawing on a scale of not less than 1:125 and showing the location of:
 - i. each process vessel, tank, and salt water disposal facility;
 - ii. any pit, dyke, flare, or pop tank and its size; and
 - iii. any associated equipment;
- m. a copy of a schematic process flow diagram showing:
 - i. process vessels, meters, tanks, and salt water disposal equipment;
 - ii. valves, pumps, and piping; and
 - iii. pressure relief valves and settings, emergency shut down systems and any other equipment intended to prevent a spill or to mitigate the amount of spill;
- n. plans or facilities for the disposal of produced water.

For any questions please contact me at 587-707-8332.	
Sincerely,	

Suddha Sircar, P. Eng

Facilities Engineer



a. Application fee and levy

A cheque for the application fee (\$750) and levy (\$250) will be mailed, payable to the Manitoba Minister of Finance.

b. Performance deposit

No additional performance deposit is required to obtain this battery operating permit.

c. Survey plan of battery location

See next page for the survey; **Caltech Surveys Drawing Number 419-2565W02-R0**:

Plan Showing Survey of

VERMILION BIRDTAIL HZNTL A10-17-16-27

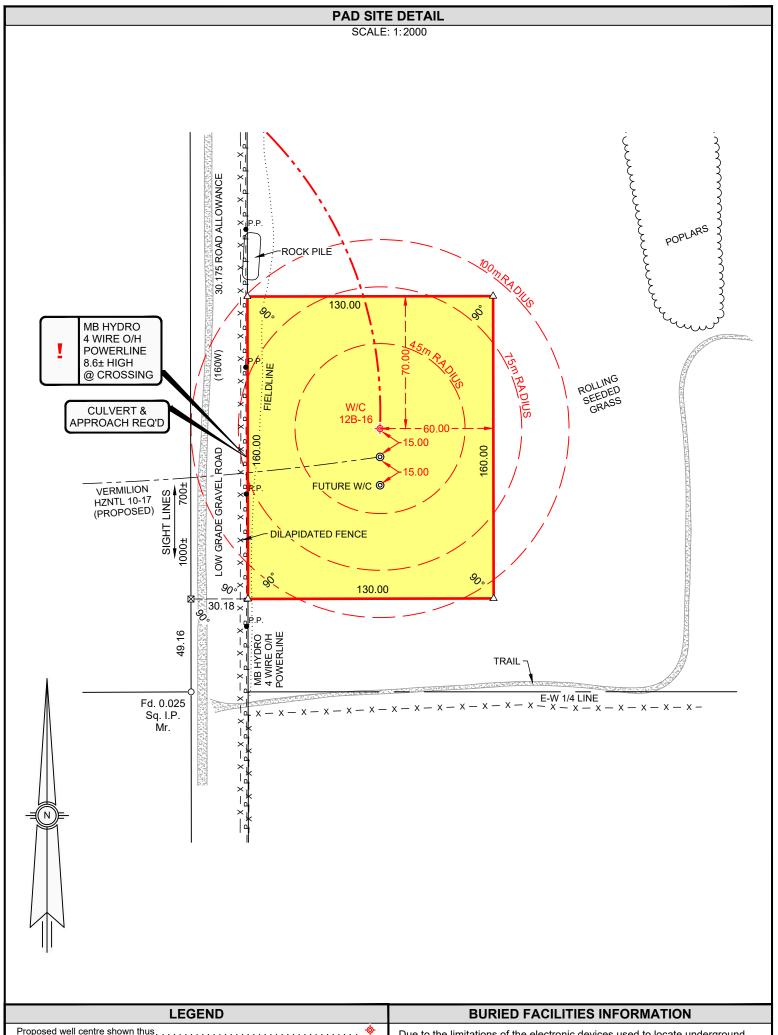
Pad Site Surface Location In

L.S.12B SEC.16 TWP.16 RGE.27 WPM

To Bottom Hole In

L.S.10C SEC.17 TWP.16 RGE.27 WPM

COORDINATE TABLE GEOGRAPHIC COORDINATES UTM COORDINATES NAD 83 NAD 27 NAD 84 NAD 84 NAD 84 NAD 85 NA	8 E 346 944.43 E 4 N 5 581 669.22 N 8 E 346 755.43 E 2 N 5 581 685.80 N		
NAD 83 NAD 27 NAD 83	NAD 27 0 N 5 581 443.88 N 8 E 346 944.43 E 4 N 5 581 669.22 N 8 E 346 755.43 E 2 N 5 581 685.80 N		
SURFACE 12B-16 665.00 S/N 70.00 E/W 3 SEC. 16 50°22'01.581" N 101°09'09.200" W 101.1525556° W 101°09'07.565" W 101.1521014° W 346 917.1 50°22'01.580" N 101°09'07.565" W 101.1521014° W 346 917.1 50°22'08.693" N 101°09'07.565" W 101.1521014° W 346 917.1 INT CASING 9-17 445.00 S/N 94.91 W/E 3 SEC. 17 50°22'08.694" N 101.1553030° W 101.09'17.455" W 101.1548487° W 346 728.1 50°22'08.696" N 50.3690741° N 50°22'08.666" N 50.3690739° N 5	0 N 5 581 443.88 N 8 E 346 944.43 E 4 N 5 581 669.22 N 8 E 346 755.43 E 2 N 5 581 685.80 N		
12B-16 70.00 E/W	8 E 346 944.43 E 4 N 5 581 669.22 N 8 E 346 755.43 E 2 N 5 581 685.80 N		
9-17 94.91 W/E ^{J SEC. 17} 101°09'19.091" W 101.1553030° W 101°09'17.455" W 101.1548487° W 346 728.1 BOTTOM HOLE 445.00 S/N _{J SEC. 17} 50°22'08.667" N 50.3690741° N 50°22'08.666" N 50.3690739° N 5 581 905.5	8 E 346 755.43 E 2 N 5 581 685.80 N		
BOTTOM HOLE 445.00 S/N 1 SEC 17 50°22'08.667" N 50.3690741° N 50°22'08.666" N 50.3690739° N 5 581 905.5	2 N 5 581 685.80 N		
DRILL PATH INFORMATION RECTANGULAR COORDINAT	T		
SURFACE TO 294.16 @ 318°21'10" SURFACE 12B-16 (332.3 ALONG DRILL PATH)	0.00 NORTH 0.00 WEST		
INT CASING TO	219.81 NORTH		
BOTTOM HOLE 600.33 @ 269°55'25" INT CASING 9-17	195.48 WEST		
BOTTOM HOLE 10C-17	219.01 NORTH 795.81 WEST		
	100.01 VVL01		
WELL GENERAL MOVENTAGE	-		
WELL CENTRE MOVEMENT			
GIVEN 665.00 S of N SEC. 16 SURVEYED 665.00 S of N SEC. 16	1		
70.00 E of W			
W/C SURVEYED ON REQUESTED COORDINATES			
AREA INFORMATION LANDOWNER INFORMATIO	N		
	NDOWNER(S)		
N.W.1/4 SEC.16-16-27 WPM 1696121/5 WILLIAN	A ROGER WILSON		
WILLIAM 1999 IZ 199			
PAD SITE NW16 2.080 5.14			
TOTAL 2.080 5.14			
LICENCING INFORMATION ELEVATION INFORMATION			
The proposed well serials.	7		
Is at least 45m from any surveyed road	481.43		
(MB Hydro O/H Powerline) □ ■ Is at least 100m from any water covered area	1		
Is at least 200m from any occupied dwelling,			
public facility or urban centre			
as as loads of an arrow and or an arrow of the arrow of t			
	1		
478.62	480.03		
MANITOBA LAND SURVEYOR'S CERTIFICATION OPERATOR INFORMATION			
I certify that the survey represented by this plan is correct and			
true to the best of my knowledge and was completed on the			
5th day of December, 2019. VERMILION			
This is a copy of an original plan, signed and sealed by Jade H. McLeod, Manitoba Land Surveyor,			
on December 11, 2019. The original plan is held on file in			
This copy has been prepared for distribution via electronic PERMIT			
and other means. Should there be a discrepancy between this document and the original document, the signed,			
sealed original shall govern. Surveying Ltd.			
No. 2017-9 REV. DATE DESCRIPTION REV. DATE DESCRIPTION	BY CK'		
0 2019.12.11 ISSUED	ML AJB		
ade H. McLeod Manitoba Land Surveyor			
ALBERTA BRITISH COLUMBIA 1-888-263-8055 VERMILION FILE NO.: VERMILION AFE NO.: CALTECULE ILE NO.: 410 3555 3 PROVED FILE NO.: VET.			
MANITOBA www.caltechsurveys.com			
S U R V E Y S SASKATCHEWAN 419-2565W02-R0.DWG DN:ML CK:AJB PC:JW PAGE 10 PC:JW PC:JW PAGE 10 PC:JW PC:	GE: 1 OF 4 REVISION		



Proposed well centre shown thus.... 0 Proposed int casing, landing & target entry points shown thus Proposed end horizontals & bottom holes shown thus ●▽ Proposed drilling location shown thus..... Existing Wells shown thus. Existing int casing, landing & target entry points shown thus ġ Existing end hz / bottom holes shown thus. . . . 0 Abandoned wells shown thus. Legal survey monuments found shown thus. Legal survey monuments planted shown thus Survey marks (0.013 Iron Bar) planted shown thus Survey marks (Hubs) planted shown thus. Survey marks (0.013 Iron Bar) found shown thus \boxtimes Temporary points shown thus. New portions referred to shown thus. Existing portions referred to shown thus. . . Temporary workspaces shown thus. Bearings shown are True North and are derived from GPS measurements. Local coordinates shown are perpendicular to the referenced boundary Distances are in metres

Due to the limitations of the electronic devices used to locate underground facilities, it should not be assumed that the locations and/or depths shown on this plan of survey are exact or that all underground facilities are shown. Caltech Surveys and any of its employees take no responsibility for the accuracy of the underground facilities shown and all underground facilities should be located by the respective authorities prior to construction.

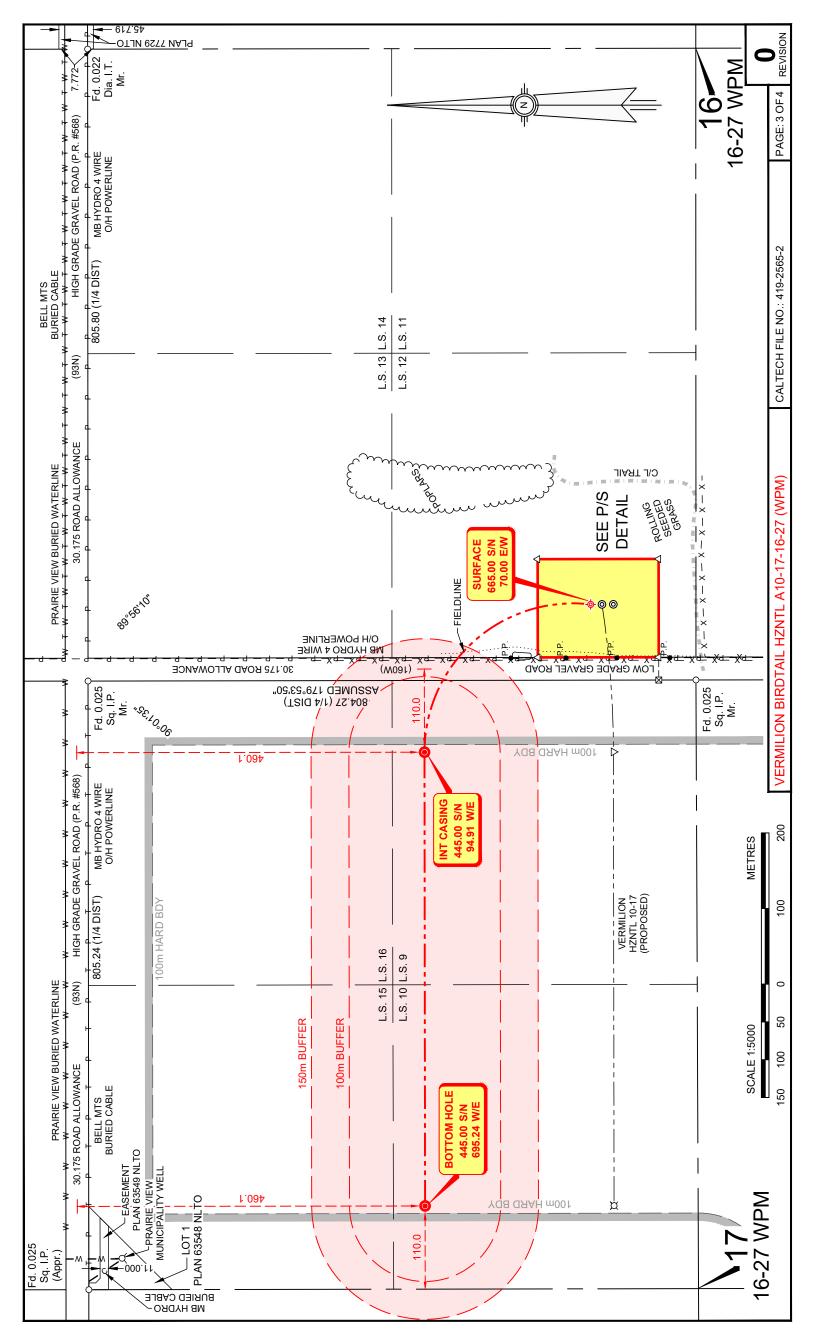
Manitoba Hydro: 1-800-940-3447 Bell MTS: 1-800-940-3447 Flowlines: Individual Operator

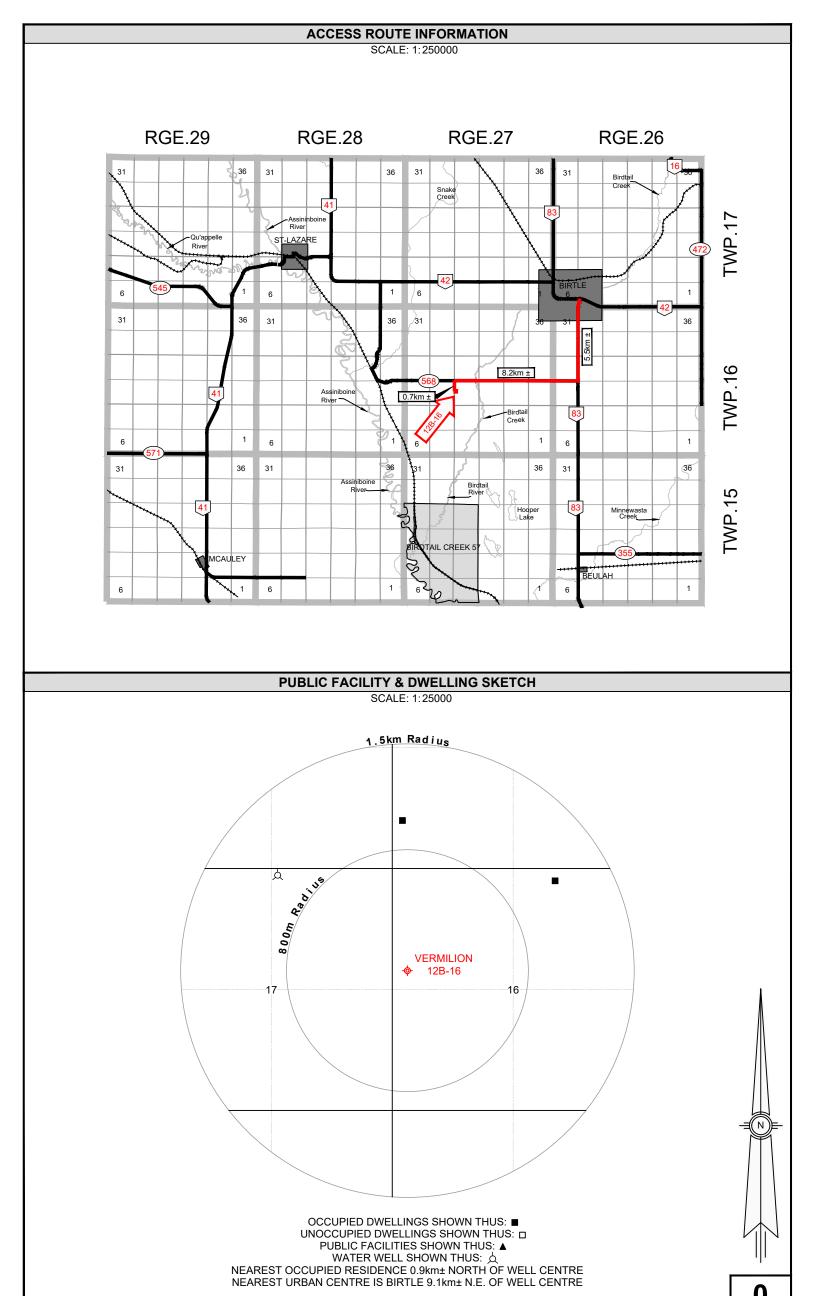
Municipality Contact Info.: Prairie View Municipality Birtle, MB

CALTECH FILE NO.: 419-2565-2

Ph. (204) 842-3403

PAGE: 2 OF 4





VERMILION ENERGY INC.



PHOTO MOSAIC PLAN

SHOWING

VERMILION BIRDTAIL HZNTL A10-17-16-27

Surface Location In

L.S.12B SEC.16 TWP.16 RGE.27 WPM
To Bottom Hole In

L.S.10C SEC.17 TWP.16 RGE.27 WPM

SCALE: 1:10000



1-888-263-8055 www.caltechsurveys.com

CALTECH FILE NO.: 419-2565-2).: 419-2565-2	VERMILION FILE NO.:	PHOTO DATE: 20		: 2018
REV.	DATE	DESCRIPTION			BY	CK'D
0	2019.12.11	ISSUED		ML	AJB	





d. The names and addresses of all landowners and occupants within 1.5 km of the proposed site of the battery and the applicant's consultations with those landowners and occupants, any concerns raised during the consultation process and all actions taken or proposed to be taken by the applicant to address the concerns of the landowners and occupants;

Attachments detailing public consultation will be sent soon at a later date.



e. <u>An estimate of the production rates of oil, water and gas for the battery, including the estimated volume of gas.</u>

The anticipated daily volumes entering the proposed 12-16 battery:

Flow Rate Oil	Flow Rate Water	Flow Rate Gas
7.95 m ³ /day	22.23 m³/day	991 m³/day

Gas Usages		
Fuel gas rate: 0 m³/day	Flared gas rate: 0 m³/day	Vented gas rate: 991 m³/day
		Gas Composition ~92% Nitrogen

f. Representative gas analysis for the battery;

See next page for typical gas analysis; **Bodycote Testing Group, Report Number 1222745**:



Gas Analysis

Lot Number: Report Number: Reference Sample ID:

Meter # / Sample ID

Gas

Date On

Swab

684337

1222745 3050580

10³ m³/d

Date Off

GR Elev, m

Prairie Petro-Chem Ltd. Tedlar X 2/NWL32461

Operator

Container Identity

m³/d

09-05-016-27 Tundra 9-5-16-27

Location Well Name KB Elev, m Ram Prairie Petro-Chem

Field/Area Pool/Zone Sampler Test Recovery:

Test Type No Multiple Recovery n/a

Test Interval, m

Perforations, m

Well License No.

2" Annulus

Sample Point Type of Production: Pumping Flowing Gas Lift Production Rates: m³/d Oil Water Gauge Pressure, kPa 6 Temperature, °C 20

Source

2009-05-22 2009-05-27 2009-06-02 Date Sampled (Y-M-D) Time Sampled Date Received (Y-M-D) Date Reported (Y-M-D) Other Information

Sampled

Comp.	Mole F (Air	Petroleum Liquid Content mL/m³	
	As Received	Acid Gas Free	
H2	0.0302	0.0302	
He	0.0477	0.0477	
N2	0.9193	0.9201	
CO2	0.0008	0.0000	
H2S	0.0000	0.0000	
C1	0.0009	0.0009	
C2	0.0001	0.0001	0.4
C3	0.0002	0.0002	0.7
iC4	0.0002	0.0002	0.9
nC4	0.0002	0.0002	0.8
iC5	0.0003	0.0003	1.5
nC5	0.0001	0.0001	0.5
C6	Trace	Trace	0.0
C7	Trace	Trace	0.0
C8	Trace	Trace	0.0
C9	Trace	Trace	0.0
C10+	Trace	Trace	0.0
Total	1.000	1.000	4.8

Gross Heating Value - Moisture Free						
MJ/m³ @15°C, 101.325 kPa			Pseudocritical Properties			
AGA #5	AGA #5	GPA 2172	Pressure, kPa	Temperature, K		
As Received	Acid Gas Free	As Received				
0.53	0.53	0.53	3186	118.1		

Received

Density - Moisture Free, As Sampled Ideal Gas (AGA #5) Real Gas (GPA 2172) Absolute, kg/m³ Relative Absolute, kg/m³ Relative 1.103 0.901 1.103 0.901 **Relative Molecular Mass Hydrogen Sulfide** Vapour Pressure **Total Gas** C7+ g/m³ Pentanes Plus, kPa 26.09 0.00 143

- H2S was determined by GC/SCD: <0.1 ppm (mol/mol)

5 Montgomery

Sara Montgomery, B.Sc **Quality Officer**



Methodology and Notes

Bill To: Prairie Petro-Chem Ltd.

Project:

Lot ID: 684337

Report To: Prairie Petro-Chem Ltd.

ID:

Tundra 9-5-16-27

09-05-016-27

738 - 6 Street

Name:

Control Number:

Estevan, SK, Canada

Location:

Date Received: May 27, 2009

S4A 1A4

Date Reported: Jun 2, 2009

Attn: Brent Frehlick

LSD: P.O.: Report Number: 1222745

Sampled By: Ram

Acct code:

Company: Prairie Petro-Chem

Method of Analysis Method Name	Reference	Method	Date Analysis Started	Location
Natural Gas - C7/10 Composition	GPA	 * Analysis for Natural Gas and Similar Gaseous Mixtures by Gas Chromatography, GPA 2261-00 	29-May-09	BTG Edmonton
Total Reduced Sulfur Analysis of Natural Gas	ASTM	* Standard Test Method for Determination of Sulfur Compounds in Natural Gas and Gaseous Fuels by Gas Chromatography and Chemiluminescence, D 5504-05	29-May-09	BTG Edmonton
	* F	Rodycote method(s) based on reference method		

Bodycote method(s) based on reference method

References

GPA Gas Processors Association **ASTM** Annual Book of ASTM Standards

Comments:

• Sample 684337-1; 3050580 H2S was determined by GC/SCD: <0.1 ppm (mol/mol)

Please direct any inquiries regarding this report to our Client Services group. Results relate only to samples as submitted.

The test report shall not be reproduced except in full, without the written approval of the laboratory.



Report Transmission Cover Page

Bill To: Prairie Petro-Chem Ltd. Project: Lot ID: **684337**

Report To: Prairie Petro-Chem Ltd. ID: Approval Status: Approved

738 - 6 Street Name: Tundra 9-5-16-27 Invoice Frequency: by Lot

Estevan, SK, Canada Location: COD Status: S4A 1A4 LSD: 09-05-016-27 Control Number:

Attn: Brent Frehlick P.O.: Date Received: May 27, 2009
Sampled By: Ram Acct code: Date Reported: Jun 2, 2009

Company: Prairie Petro-Chem Report Number: 1222745

Contact & Affiliation	Address	Delivery Commitments				
Brent Frehlick	738 - 6 Street	On [Lot Verification] send				
Prairie Petro-Chem Ltd.	Estevan, Saskatchewan S4A 1A4 Phone: (306) 634-5808 Fax: (306) 634-6694 Email: brent.frehlick@petrochem.ca	(COA) by Email - Single Report On [Report Approval] send (Test Report) by Email - Merge Reports				
					On [Lot Approval and Final Test Report Approval] send	
						(Test Report, Invoice) by Post
		Jocelyn Schappert	738 - 6 Street	On [Report Approval] send		
	Prairie Petro-Chem Ltd.	Estevan, Saskatchewan S4A 1A4	(Test Report) by Email - Merge Reports			
	Phone: (306) 634-5808	(3, ., .,				
	Fax: (306) 634-6694					
	Email: jocelyn.schappert@petrochem.ca					

Notes To Clients:

• Sample 684337-1; 3050580 H2S was determined by GC/SCD: <0.1 ppm (mol/mol)

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Terms and Conditions: www.bodycotetesting.com/terms&conditions



g. The specifications of any process vessel to be used, including the name of the manufacturer, dimensions, Canadian Registration Number (CRN), minimum and maximum flow capacity and design and estimated operating pressure and temperature;

There are no process vessels in the battery proposed for 12-16, only atmospheric tanks will be storing fluid at the facility.

h. <u>Details of well testing facilities associated with the battery, including the method,</u> frequency, and duration of well testing;

The well and future well flow rates are recorded continuously with the accuracy of production reporting quality flow meters.

i. Details of the flare and vapour recovery systems for the battery;

This gas contains mostly nitrogen at almost 92% of the total gas composition, methane accounts for 0.09% of the total volume. A flare is not proposed to be installed at this facility, the methane gas volume is low and it is not economically practical to collect the small gas volume and flare it.

The gas contains 0% H2S and is therefore a sweet gas, any gas entrained is vented off the tanks to atmosphere.

- j. Where the applicant proposes to vent gas containing hydrogen sulphide (H2S),
 - i. reasons why the gas cannot be flared,
 - ii. specific actions to be taken to minimize the volume of gas vented, and
 - iii. the method of controlling off-lease odours;

The design of the site is not proposing to vent gas containing hydrogen sulphide, the gas is sweet gas, primarily nitrogen.

k. <u>Air dispersion modeling for the battery where gas production will contain hydrogen sulphide;</u>

Air dispersion modeling is not required since there will not be associated H2S or SO2 with the gas.

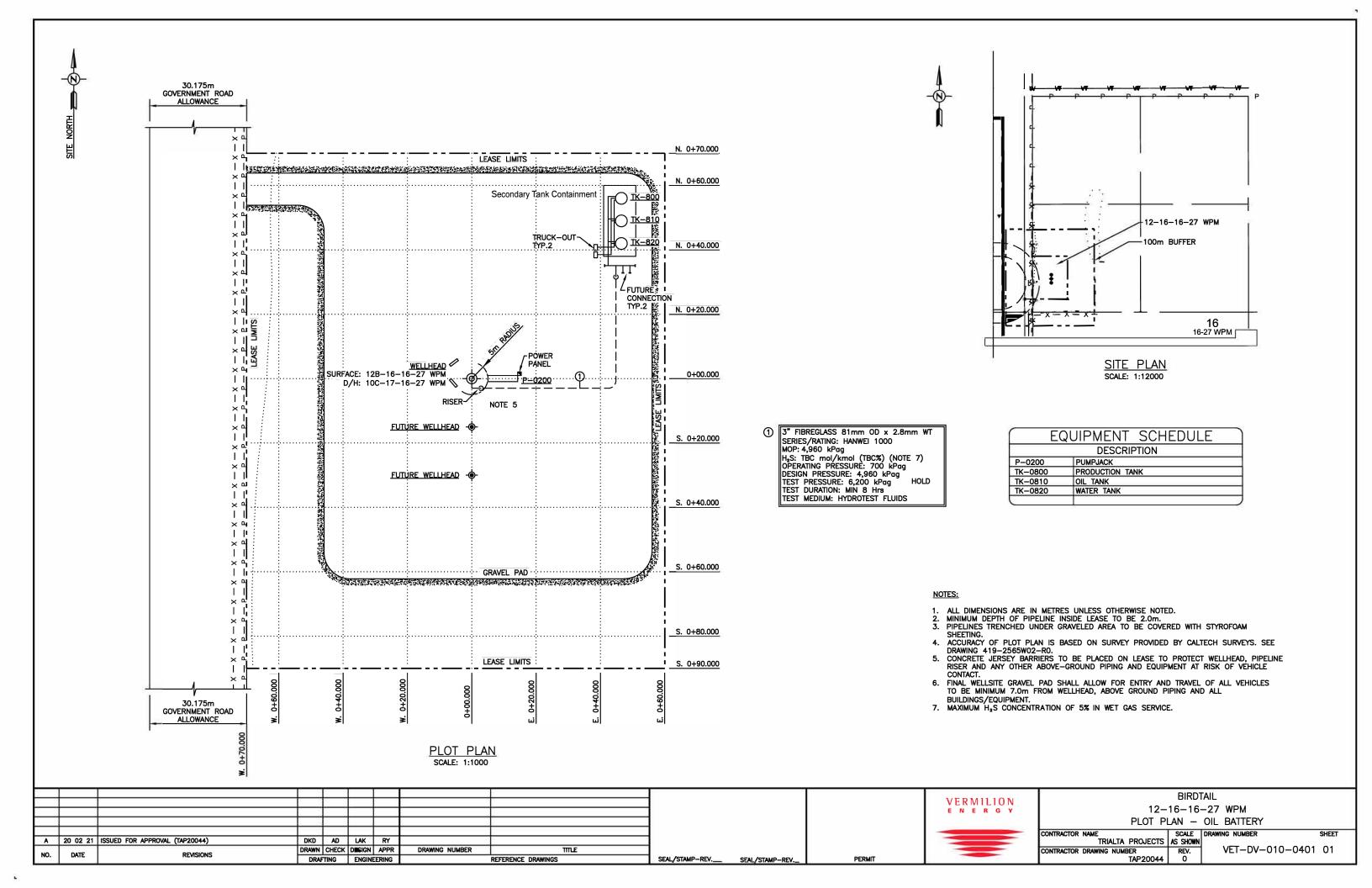
A flare is not proposed to be installed at this facility, since the gas is not being flared there will not be production of SO2 associated with the gas. The gas also does not contain H2S which would necessitate dispersion modeling, any gas entrained is vented off the tanks.



- I. A plot drawing on a scale of not less than 1:125 and showing the location of:
 - i. each process vessel, tank, and salt water disposal facility;
 - ii. any pit, dyke, flare, or pop tank and its size; and
 - iii. any associated equipment;

See next page for plot plan; **Vermilion Drawing Number VET-DV-010-0401 01**:

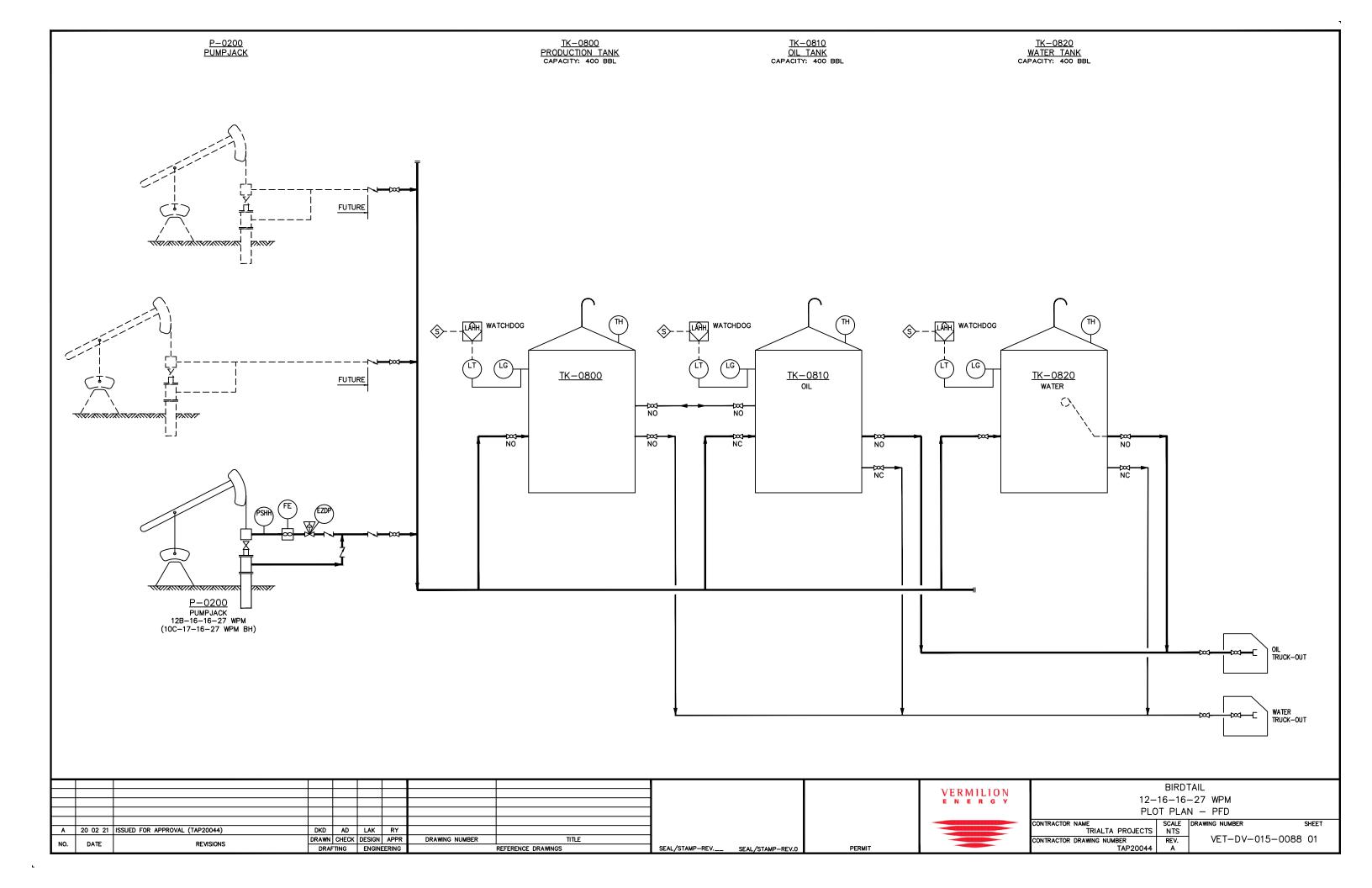
The Plot Plan shows secondary containment in the tank area to contain spills from the tanks.





- m. A copy of a schematic process flow diagram showing:
 - i. process vessels, meters, tanks, and salt water disposal equipment;
 - ii. valves, pumps, and piping; and
 - iii. pressure relief valves and settings, emergency shut down systems and any other equipment intended to prevent a spill or to mitigate the amount of spill;

See next page for process flow diagram; Vermilion Drawing Number VET-DV-015-0058 01:





n. Plans or facilities for the disposal of produced water.

The plan for the produced water is to ship the water off-site for disposal at another facility.