



Ron

September 16, 2002

8100-4800-32640-02  
OGC - 02154

Bill Locke  
Regional Environmental, Health & Safety Coordinator  
Newalta Corporation  
#3, 9701 - 116 Street  
Grand Prairie, AB T8V 6H6

Dear Mr. Locke:

**RE: APPLICATION FOR SALT WATER DISPOSAL**  
**Newalta W Stoddart 10-14-87-21 W6M, (WA# 2777); Halfway**

The Commission has reviewed your application dated June 25, 2002 requesting permission to dispose of produced water into the Halfway formation of the subject well.

We concur that the subject well is a good candidate for salt water disposal in the Halfway formation. Notice of your application was published in two issues of the BC Gazette. No formal objections were received, however, Ms. Wanda Cummings, a resident living about 2.5 km from the proposed disposal well, raised some concerns. Ms. Cummings major concern was the potential impact on quality and quantity of the potable water wells in the area due to the proposed salt water disposal.

These concerns have now been mutually resolved between Newalta and Ms. Cummings. Accordingly, additional conditions have been specified in the approval. Furthermore, Newalta has committed to maintaining open communication with the neighbors.

Attached is Approval 02-02-012 for the application granted under Part 8, Division 3, Section 94 of the *Drilling and Production Regulation* for the Halfway formation.

Sincerely,

Craig Gibson, P. Eng.  
Manager  
Reservoir Engineering and Geology

Attachment

APPROVAL 02-02-012

**THE PROVINCE OF BRITISH COLUMBIA**  
**PETROLEUM AND NATURAL GAS ACT**  
**DRILLING AND PRODUCTION REGULATION**  
**OIL AND GAS COMMISSION**

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IN THE MATTER of a scheme of Newalta Corporation (Newalta) for Salt Water Disposal (SWD) in the Halfway formation in the well Newalta W Stoddart 10-14-87-21 W6M (WA# 2777).

NOW, THEREFORE, pursuant to Part 8, Division 3, Section 94 of the *Drilling and Production Regulation*, the SWD scheme is hereby approved, as such scheme is described in

*an application from Newalta to the Commission dated June 25, 2002.*

1. The water disposal interval must be in the Halfway formation, within the interval of 1596.0 - 1610.0 mKB.
2. A record of volume of salt water disposed of through this well must be included on a Monthly Injection/Disposal Statement, in the prescribed form (BC-S18), which must be submitted to the Oil and Gas Commission not later than the 25th day of the month following the reported month.
3. The disposal/injection pressure at the sandface must not exceed the formation fracture pressure.
4. The annulus and tubing pressures will be continually monitored and recorded on a 24 hr chart recorder.
5. The water disposal facility will be equipped with fixed H<sub>2</sub>S detection and Lower Explosive Limit (LEL) detection equipment.
6. A fence line odour-monitoring device must be installed between the water disposal facility and the location known as the Shepherds Inn.
7. This approval may be modified or rescinded if deemed appropriate through a change in circumstances.

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Craig Gibson  
Manager  
Reservoir Engineering and Geology  
Oil and Gas Commission

DATED AT the City of Victoria, in the Province of British Columbia, this \_\_\_\_ day of September 2002.