May 4, 2001

5860-4545-32640-02 OGC - 01106

Darrin Foster, P. Eng. Production Manager Tethys Energy Inc. Suite 2900, 500 – Fourth Avenue S.W. Calgary, AB T2P 2V6

Dear Mr. Foster:

RE: WATER INJECTIVITY TEST
TETHYS ET AL MICA 11-34-81-14 W6M, (WA# 3649); MICA "A"

The Commission has reviewed your application dated April 26, 2001 requesting permission to conduct a temporary water injectivity test into the Mica "A"pool of the subject well.

We concur that the well 11-34 well appears to be a good candidate for water injection. Your request for temporary injectivity is considered appropriate, as it will provide necessary information about the injectivity capability in the wellbore.

Approval for temporary injectivity test is hereby granted under Part 8, Division 3, Section 94 of the *Drilling and Production Regulation*, subject to the following conditions;

- 1. The test water injection interval must be in the Mica "A" pool.
- 2. The total volume of injected water must not exceed 300 m<sup>3</sup>.
- 3. The injection pressure at the sandface must not exceed the formation fracture pressure.

Please note that a notice of your application for pressure maintenance by waterflooding, once received, will be published in the BC Gazette.

Approval Letters to Industry

Sincerely,

GEP, SWD, CONCURRENT PROD. PRESSURE MAINTENANCE. WATERFLOOD, ETC. Wellfile (originals) 59240 Craig Gibson, P. Eng. Daily Manager Resource Revenue S. Chicorelli Reservoir Engineering and Geology R. Stefik G. Farr P. Attariwala D. Krezanoski **ENGINEERING AN** PO Box 9329 Stn Prov Gov't, Victoria BC V8\ 952-0291

Location: 6th Fir 1810 Blanshard St. victoria