



Province of
British Columbia

Ministry of
Energy, Mines and
Petroleum Resources

bcc: D.L. Johnson
Petroleum Revenues
Engineering Systems
S. Foofat
D. Richardson
Wellfile

August 4, 1992

File: 3560-2900-0-32640/02
920703B

Mr. Sid Chapple
Sunarctic Resources Ltd.
Box 550
Charlie Lake, British Columbia
V0C 1H0

Dear Mr. Chapple:

RE: APPLICATION TO DISPOSE WATER
SUNARCTIC FLATROCK A14-7-84-16

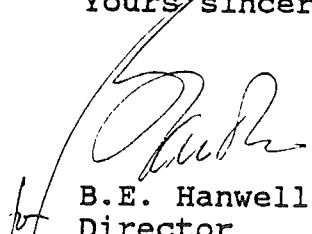
This refers to your application wherein a scheme for salt water disposal in the Dunlevy formation of the subject well was requested.

Since there is no known Dunlevy production within 3 km of your well, and since the zone appears to be isolated, no objections can be raised by other holders of Petroleum and Natural Gas rights in the area.

In view of the above, the attached approval for produced saltwater disposal is herewith included.

It has been noted that the formation water in the Dunlevy formation appears to be relatively fresh, and therefore water compatibility problems may in the future adversely affect injectivity.

Yours sincerely,


B.E. Hanwell
Director
Engineering and Operations Branch

BVO:nhc

Attachment

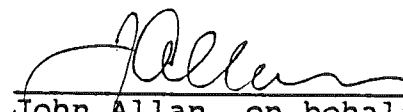
APPROVAL 92-02-003

THE PROVINCE OF BRITISH COLUMBIA
PETROLEUM AND NATURAL GAS ACT
MINISTRY OF ENERGY, MINES AND PETROLEUM RESOURCES
ENERGY RESOURCES DIVISION

IN THE MATTER of a Scheme of Sunarctic Resources Ltd. for Salt Water Disposal (SWD) in the Dunlevy formation in the well Sunarctic Flatrock A14-7-84-16.

The Ministry of Energy, Mines and Petroleum Resources, pursuant to section 116 of the Petroleum and Natural Gas Act, hereby orders as follows:

1. The SWD scheme of Sunarctic Resources Ltd. (Operator) for disposal of produced water into the Dunlevy formation at well A14-7-84-16 W6M as such Scheme is described in the application from the operator to the ministry, is hereby approved, subject to the terms and conditions herein contained.
2. The water disposal interval must be in the Dunlevy formation (1079.5 - 1104.5 metres KB).
3. A record of the volumes disposed of through this well should be included on a Monthly Water Receipts and Disposal Report. The report should be submitted in duplicate to the Victoria office not later than the 25th day of the month following the reported month.
4. Compliance is required with the provision of section 100 of the Drilling and Production Regulation (Measurement of Fluids Injected).
5. The approval may be modified or rescinded at a later date if deemed appropriate through a change in circumstances.



John Allan, on behalf of the
Minister of Energy, Mines and Petroleum Resources

DATED AT the City of Victoria, in the Province of
British Columbia, this 31 day of July, 1992.