

July 22, 2005

8110-4060-32640-02 OGC - 05214

Christine Zarowny, P.Eng.
Development Engineer
Talisman Energy Inc.
Suite 3400, 888 3<sup>rd</sup> Street S.W.
Calgary, Alberta T2P 5C5

Dear Mr. Zarowny:

RE: APPLICATION FOR SALT WATER DISPOSAL
TALISMAN SUKUNKA B-2-E/93-P-5; PARDONET-BALDONNEL "K"; WA# 7861

The Commission has reviewed your application, dated June 30, 2005, requesting permission to dispose of produced water into the Sukunka – Pardonet-Baldonnel "K" pool of the subject well.

The OGC has recently updated its material balance analysis of the subject pool, yielding an original gas in place estimate of  $750.0\ 10^6\ m^3$  which is in agreement with the value submitted in Talisman's application. The subject well has only recovered  $26\%\ (G_p=191.0\ 10^6\ m^3)$  of the estimated in place reserves. Although high water production is recognized as the cause of lower than expected recovery factors from the Sukunka area - Pardonet-Baldonnel pools, expectations are for recoveries in the 50-70% range.

Approval to dispose of produced water may be approved for depleted hydrocarbon reservoirs or saline water bearing zones. Due to the considerable remaining reserves in this pool and the very low current gas recovery, your application for salt water disposal cannot be considered at this time.

Should you have any questions, please contact Richard Slocomb at (250) 952-0366.

Sincerely,	Approval Letters to Industry GEP, SWD, CONCURRENT PROD, PRESSURE MAINTENANCE, WATERFLOOD, ETC.
Craig Gibson, P. Eng.  Director  Resource Conservation Branch	Copy 9 Wellfile (originals) 59240 Daily Resource Revenue S. Chicorelli R. Stefik G. Farr R. Slocomb D. Krezanoski
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