February 21, 2005

7740-8400-32640-02 OGC - 05045

Perry Unger, CET Production Technologist EnCana Corporation 150 – 9th Avenue S.W. P.O. Box 2850 Calgary, AB T2P 2S5

Dear Mr. Unger:

RE: APPLICATION FOR APPROVAL OF DEEP WELL DISPOSAL OF NON-SPECIAL WASTE AND SALT WATER ECA ECOG SAHTANEH d-39-I/94-I-12 (WA 8775)

This refers to your application dated December 20, 2002, requesting disposal of non-special waste and produced water into the Slave Point formation of the subject well.

The application addresses a need for disposal of non-special waste liquids, specifically; liquids arising from foam based drilling fluids, generated during horizontal drilling activities, and produced salt water. We concur that the subject well appears to be a good candidate for non-special waste and salt water disposal in the Slave Point formation. Notice of your application was previously published in two issues of the BC Gazette, with no written objections received.

Attached please find Approval 05-02-002 for the application granted under Part 8, Division 3, Section 94 of the *Drilling and Production Regulation* for the Slave Point formation.

The Commission identifies the type effluent approved for injection (and maximum rate of injection) in a separate Permit under the provisions of the Environmental Management Act.

The effective date of this approval is the day the Commission issues Permit PE-17308.

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

D. Krezanoski

APPROVAL 05-02-002

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

IN THE MATTER of a scheme of EnCana Corporation (EnCana) for Disposal of Non-Special Waste (NSW) and Salt Water (SW) in the Slave Point Formation in the well ECA ECOG Sahtaneh d-39-I/94-I-12 (WA 8775).

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

an application from EnCana to the Commission dated December 20, 2002.

- 1. The disposal interval must be in the Slave Point Formation.
- 2. A record of volume of NSW/SW 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 of Non-Special Waste must be carried out pursuant to the conditions of Oil and Gas Permit PE-17308, issued May 26, 2003 and any subsequent amendments.
- 4. The disposal/injection pressure at the sandface must not exceed the formation fracture pressure.
- 5. This approval may be modified or rescinded at a later date if deemed appropriate through a change in circumstances.

Craig Gibson

Director

Resource Conservation Branch

DATED AT the City of Victoria, in the Province of British Columbia, this 21 day of February 2005.