

November 22, 2000

5500-6200-32640-02 OGC - 000271

Mr. Kevin Jensen, P. Eng. Senior Petroleum Engineer Murphy Oil Company Ltd. P.O. Box 2721 Calgary, AB T2P 3Y3

Dear Mr. Jensen:

RE: SALT WATER DISPOSAL/INJECTIVITY TEST

Murphy Beau Shell Ladyfern b-17-I/94-H-1, (WA# 12431); Belloy Formation

The Commission has reviewed your application dated November 17, 2000 requesting permission to conduct a temporary injectivity test into the Belloy formation of the subject well.

We concur that the well b-17-I/94-H-1 appears to be a good candidate for salt water disposal. Your request for temporary injectivity is considered appropriate, as it will provide necessary information about the disposal 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 disposal interval must be in the Belloy formation (1260.0 1283.0 mKB).
- 2. The total volume of injected water must not exceed 100 m<sup>3</sup>.
- 3. The disposal/injection pressure at the sandface must not exceed the formation fracture pressure.

Please note that a notice of your application for salt water disposal will be published in the November 30 and December 7, 2000 issues of the BC Gazette. Formal approval may be granted only if no objections are received by December 21, 2000.

Craig Gibson, P. Eng. Manager Reservoir Engineering and Geology	Approval Letters to Industry GEP, SWD, CONCURRENT PROD, PRESSURE MAINTENANCE, WATERFLOOD, ETC. Copy 10  Wellfile (originals) 59240 Daily Resource Revenue S. Chicorelli R. Stefik G. Farr P. Attariwala
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