

December 16, 2011

7740-8400-32640-02

Paige Dodd
Planning and Development Coordinator
CCS Corporation
1800, 140 – 10 Avenue SE
Calgary AB T2G 0R1

Dear Ms. Dodd:

RE:

NON-HAZARDOUS WASTE & SALT WATER DISPOSAL SPECIAL PROJECT

CCS ET AL SAHTANEH b-90-I/94-I-12; WA# 13925

PINE POINT FORMATION

Oil and Gas Commission (Commission) staff have reviewed the application, dated October 20, 2011, requesting approval to dispose of non-hazardous waste into the Slave Point formation of the subject well.

Approval for disposal of produced salt water was granted June 8, 2004, successfully disposing of a total volume of 570 10³ m³ to-date. This application provides for disposal capacity of non-hazardous waste liquids from area oil and gas operations.

Attached please find Order 04-02-008 Amendment #1, designating an area in the Sahtaneh field – Pine Point formation a Special Project under section 75 of the <u>Oil and Gas Activities Act</u>, for use of a storage reservoir for the disposal of non-hazardous waste generated from oil and gas operations.

The Ministry of Environment identifies the type of effluent approved for injection in the separate Waste Discharge Permit (PE-17942), granted under the Environmental Management Act.

Operation of the disposal project will be subject to periodic review and the Commission may modify the Order, if deemed appropriate.

Should you have any questions, please contact Ron Stefik at (250) 419-4430.

Sincerely,

Paul Jeakins

Commissioner & CEO
Oil and Gas Commission

Attachment

IN THE MATTER of the application from CCS Corporation, to the Oil and Gas Commission (Commission) dated October 20, 2011 for the operation and use of a storage reservoir.

ORDER 04-02-008 (AMENDMENT #1)

Under Section 75(1)(d) of the Oil and Gas Activities Act, the Commission designates the operation and use of a storage reservoir for the disposal of produced salt water and nonhazardous waste fluids generated from oil and gas operations, into the Sahtaneh area -Pine Point formation as a special project in the following area:

NTS 94-I-12 Block I Unit 90

- 2 Under section 75(2) of the Oil and Gas Activities Act, the special project designation in this Order is subject to the following conditions:
 - a) Produced salt water and non-hazardous waste shall be injected only into the Pine Point formation through the well CCS et al Sahtaneh b-90-I/94-I-12 (Well Permit # 13925).
 - b) A record of volume 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.
 - c) The non-hazardous waste disposal must be in accordance with the approval conditions of a Waste Discharge Permit PE-17942, issued by the Ministry of Environment.
 - d) The disposal/injection pressure at the wellhead must not exceed 15,000 kPa.

Commissioner & CEO

Oil and Gas Commission

DATED AT the City of Victoria, in the Province of British Columbia, this & day of December 2011.