

May 20, 2009

3600-2800-32640-02

Randy Wolsey Orefyn Energy Advisors Corp. P.O. Box 6100 Fort St. John, BC V1J 4H6

Dear Mr. Wolsey:

RE: WATER DISPOSAL/INJECTIVITY TEST; CADOMIN FORMATION OREFYN FT ST JOHN 6-24-84-19 W6M (WA# 3060)

Commission staff have reviewed the application dated April 27, 2009, submitted by RPS Energy Canada Ltd, on your behalf, requesting permission to conduct a temporary water injectivity test into the Cadomin formation of the subject well to assess potential for disposal of produced water and non-hazardous waste. This well is currently operating as a disposal well into the Halfway formation.

Logs and DST data from wells in this area indicate that the Cadomin appears to be a porous wet zone of prospective disposal quality, with no proven commercial gas production for a significant distance.

Your request for temporary injectivity is considered appropriate, as it will provide necessary information to determine if the reservoir is suitable as a disposal zone.

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 injection interval must be in the Cadomin formation.
- 2. The total volume of injected water into each formation must not exceed 500 m³.
- 3. Prior to injection, a production test must be attempted to evaluate hydrocarbon potential.
- 4. Injection pressure at the sandface must not exceed the formation fracture pressure.

Please note that a Notice of your application for produced water and non-hazardous waste disposal has been posted to the OGC website. Final approval may be granted following the closing date of the notice, dependent on results, potential objections and satisfactory review by the Waste Management and Reclamation section of the OGC.

Sincerely,

Richard Slocomb, P. Eng.

Supervisor, Reservoir Engineering

cc: Murray Reynolds, RPS Energy Canada Ltd.

Devin Scheck, OGC Fort St John