

February 8, 2010

9000-8600-32640-02

Corey Higham
Business Development
Secure Energy Services Inc.
1201, 333 – 7th Avenue S.W.
Calgary, AB T2P 2Z1

Dear Mr. Higham:

**RE: APPLICATION FOR APPROVAL OF DEEP WELL DISPOSAL OF
NON-HAZARDOUS WASTE AND PRODUCED SALT WATER, AMENDMENT #2
SECURE E KOTCHO LAKE c-062-J/094-I-14 W6M (WA# 17797); PINE POINT FORMATION**

The Commission has reviewed your application, dated December 7, 2009, requesting approval for disposal of non-hazardous waste and salt water disposal in the Pine Point formation of the subject well.

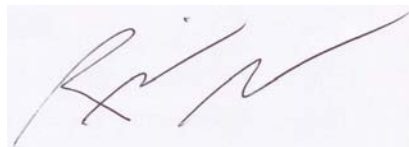
The well is currently approved to dispose salt water into the Pine Point formation under Approval #05-02-006.

This application addresses a need in the area for disposal of non-hazardous waste liquids. We concur that the subject well appears to be a good candidate for non-hazardous waste and salt water disposal in the Pine Point formation.

Attached please find Approval 05-02-006 (Amendment #2) for the application granted under Part 8, Division 3, Section 94 of the *Drilling and Production Regulation* for the Pine Point formation. The form Notice of Commencement or Suspension of Operations (BC-11) must be submitted upon commencing injection operations.

The Ministry of Environment identifies the type of effluent approved for injection (and maximum rate of injection) in a separate Permit. The effective date of this approval is the date of issuance of the Waste Discharge Permit, granted under the Environmental Management Act.

Sincerely,



Richard Slocomb, P.Eng.
Supervisor, Reservoir Engineering

Attachment

cc: Reg Marquardt – Ministry of Environment
Devin Scheck, Director - Waste Management, OGC

APPROVAL 05-02-006 (AMENDMENT #2)

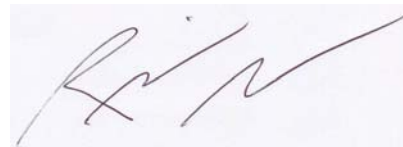
**THE PROVINCE OF BRITISH COLUMBIA
PETROLEUM AND NATURAL GAS ACT
DRILLING AND PRODUCTION REGULATION
OIL AND GAS COMMISSION**

IN THE MATTER of a scheme of Secure Energy Services (Secure) for Salt Water and Non-Hazardous Waste (SW/NHW) disposal into the Pine Point formation in the well Secure E Kotcho Lake c-62-J/94-I-14 (WA# 17797).

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

an application from Secure Energy Services to the Commission December 7, 2009.

1. The salt water and non-hazardous waste disposal interval must be in the Pine Point formation.
2. A record of volume of SW/NHW 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 salt water and non-hazardous waste disposal must be in accordance with the approval conditions of a Waste Discharge Permit, issued by the Ministry of Environment.
4. The disposal/injection pressure at the sandface must not exceed the formation fracture pressure.
5. This approval may be modified or rescinded if deemed appropriate through a change in circumstances.



Richard Slocomb
Supervisor, Reservoir Engineering
Resource Conservation Branch
Oil and Gas Commission

DATED AT the City of Victoria, in the Province of British Columbia, this 8th day of February, 2010.