



November 5, 2012

8100-1400-32640-02

Nelson Liu  
Advisor, Strategic Planning  
Tervita Corporation  
500, 140 – 10<sup>th</sup> Avenue SE  
Calgary AB T2G 0R1

Dear Mr. Liu:

**RE: NON-HAZARDOUS WASTE & PRODUCED WATER DISPOSAL SPECIAL PROJECT  
TERVITA HZ W STODDART A10-30-087-20 W6M; WA# 28116  
CADOMIN FORMATION**

Oil and Gas Commission (Commission) staff have reviewed the application, dated September 28, 2012, requesting approval to dispose of produced water and non-hazardous waste into the Cadomin formation of the subject horizontal well.

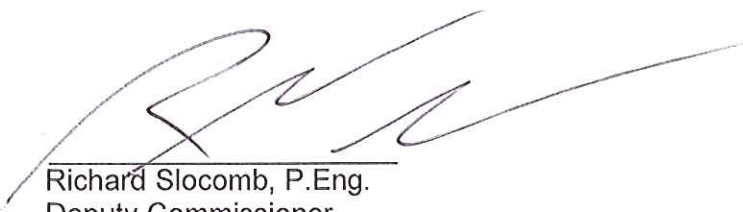
Attached Order 12-02-023 designates an area in the Stoddart West field – Cadomin formation a Special Project under section 75 of the Oil and Gas Activities Act, for use of a storage reservoir for the disposal of produced water and non-hazardous waste generated from oil and gas operations. The area noted in condition 1 reflects the two quarter-sections in which the well is completed in the Cadomin formation.

As previously discussed, current reservoir pressure must be measured prior to initiating disposal operation, as stated in condition 2(f). Reservoir pressure must be tested annually, as per condition 2(g), using bottom-hole gauges, with a shut-in period of sufficient length to attain a stable value or allow pressure transient analysis to calculate a stable value. Testing may be coordinated with planned turnarounds.

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

Should you have any questions, please contact Curtis Kitchen at (250) 419-4443 or Ron Stefik at (250) 419-4430.

Sincerely,



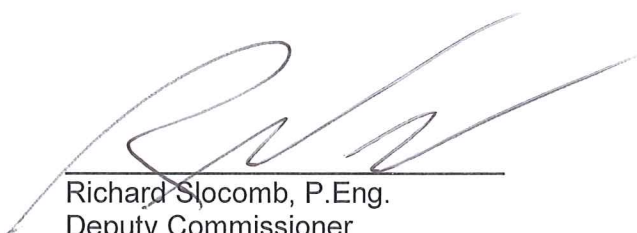
Richard Slocomb, P.Eng.  
Deputy Commissioner  
Oil and Gas Commission

Attachment

IN THE MATTER of the application from Tervita Corporation, to the Oil and Gas Commission (Commission) dated September 28, 2012 for the operation and use of a storage reservoir.

**ORDER 12-02-023**

- 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 water and non-hazardous waste fluids generated from oil and gas operations, into the West Stoddart area – Cadomin formation as a special project in the following area:  
  
DLS Twp 87 Rge 20 W6M; Section 30 – Lsd's 3, 4, 5, 6, 11, 12, 13 and 14.
- 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 Cadomin formation through the well Tervita HZ W Stoddart A10-30-87-20W6M (WA #28116).
  - 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 25<sup>th</sup> 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, issued by the Ministry of Environment.
  - d) Disposal/injection pressure at the wellhead must not exceed 14,800 kPa.
  - e) Wellhead injection pressure must be continually monitored and recorded.
  - f) Reservoir pressure at well (a) must be measured prior to commencement of disposal.
  - g) Reservoir pressure must be measured and reported each calendar year.
  - h) The average reservoir pressure must not exceed 120% of initial pressure.
  - i) A form Notice of Commencement or Suspension of Activities BC-11 must be submitted to the Ministry of Finance to notify of commencement of operations and update the well status.



Richard Slocomb, P.Eng.  
Deputy Commissioner  
Oil and Gas Commission

DATED AT the City of Victoria, in the Province of British Columbia, this 5<sup>th</sup> day of November 2012.