



December 31, 2007

2000-4100-32640-02

Neils Versfeld, B.Sc.
Team Lead, Environment & Regulatory Planning
CCS Energy Services
2400, 530 – 8th Avenue SW
Calgary, AB T2P 3S8

Dear Mr. Versfeld:

**RE: APPLICATION FOR APPROVAL OF DEEP WELL DISPOSAL
OF NON-SPECIAL WASTE AND SALT WATER
CCS BOUNDARY A16-13-84-14 W6M (WA 9929); BALDONNEL**

This refers to your application dated January 5, 2006 requesting disposal of non-special waste and produced water into the Baldonnel formation of the subject well.


The application addresses a need for additional disposal of non-special waste liquids, specifically; waste residual fluids from CCS Boundary Lake Treatment, Recovery and Disposal Facility located at 15-26-84-14 W6M. CCS is currently disposing of non-special waste into the well CCS Boundary A6-26-84-14 W6M (WA 7474) and wishes to augment current disposal capacity with another well. We concur that the subject well appears to be a good candidate for non-special waste and salt water disposal in the Baldonnel formation. Notice of your application was published in two issues of the BC Gazette, with no written objections received.

Attached please find Approval 07-02-005 for the application granted under Part 8, Division 3, Section 94 of the *Drilling and Production Regulation* for the Baldonnel formation.

The Commission identifies the type of effluent approved for injection (and maximum rate of injection) in a separate Permit under the provisions of the Environmental Management Act.

The effective date of this approval is the day the Commission issues Permit PE-18295.

Sincerely,



Richard Slocomb, P.Eng.
Supervisor, Reservoir Engineering

Attachment

RESOURCE CONSERVATION

PO Box 9329 Stn Prov Gov't, Victoria BC V8W 9N3 Tel: (250) 952-0302 Fax: (250) 952-0301
Location: 6th Flr 1810 Blanshard St, Victoria BC

Headquarters: #200, 10003 110th Ave, Fort St. John BC V1J 6M7 Tel: (250) 261-5729 Fax: (250) 261-5744 www.ogc.gov.bc.ca

APPROVAL 07-02-005

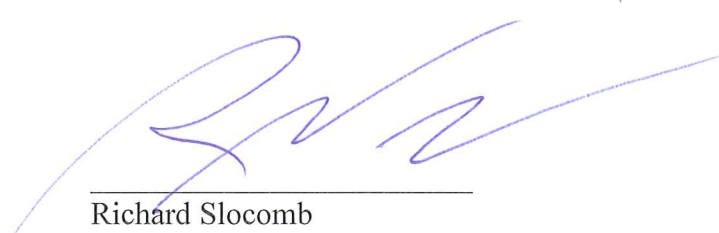
THE PROVINCE OF BRITISH COLUMBIA
PETROLEUM AND NATURAL GAS ACT
DRILLING AND PRODUCTION REGULATION
OIL AND GAS COMMISSION

IN THE MATTER of a scheme of CCS Energy Services (CCS) for Salt Water and Non-Special Waste (SW/NSW) disposal in the Baldonnel formation in the well CCS Boundary A16-13-84-14 W6M (WA# 9929).

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

an application from CCS to the Commission dated January 5, 2007.

1. The salt water and non-special waste disposal interval must be in the Baldonnel formation.
2. A record of volume of SW/NSW 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-special waste disposal must be in accordance with the approval conditions of a Waste Discharge Permit, issued by the Oil and Gas Commission, Waste Management Group.
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
Oil and Gas Commission

DATED AT the City of Victoria, in the Province of British Columbia, this 31 day of December 2007.