



November 14, 2005

Approval Letters to Industry  
GEP, SWD, CONCURRENT PROD, 9000-8600-32640-02  
PRESSURE MAINTENANCE, OGC - 05310  
WATERFLOOD, ETC.

P.A. (Phil) Harvey, P.Eng., M.B.A.  
Vice President, Exploitation  
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Daily
Resource Revenue
S. Chicorelli
R. Stefik
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J. Pickell
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Dear Mr. Harvey:

**RE: SALT WATER DISPOSAL/INJECTIVITY TEST**  
**Baytex et al Ekwan c-43-L/94-I-10, (WA# 5601); Pine Point Formation**

The Commission has reviewed your application dated October 31, 2005 requesting permission to conduct an injectivity test and approval to dispose of produced water in the Pine Point formation of the subject well.

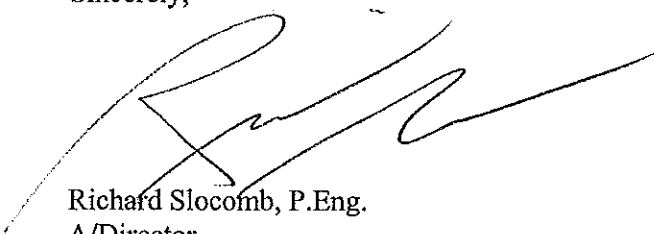
Your request for injectivity is considered appropriate, as it will provide necessary information to determine if the well is a suitable candidate for produced water disposal. Following completion and prior to injection, an extended flow test to evaluate gas production potential is required. Results of such a flow test should be submitted to the Commission.

Approval for a 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 water disposal interval must be in the Pine Point formation (1910.0 – 1950.0 mKB).
2. The total volume of injected water must not exceed 500 m<sup>3</sup>.
3. The disposal/injection pressure at the sandface must not exceed the formation fracture pressure.

Please note that your application for continuous salt water disposal would be considered appropriate if the gas rate rapidly depletes and the well produces substantial quantities of formation water. Notice of your application will be published in the BC Gazette. Formal approval may be granted only if no objections are received by the closing date of the notice.

Sincerely,

  
Richard Slocomb, P.Eng.  
A/Director  
Resource Conservation Branch