



November 24, 2008

5400-8600-32640-02

John Kiss, P.Eng
Project Consultant
Avenger Petroleum Inc.
4012 Centre B Street N.W.
Calgary, Alberta T2K 0W2

Dear Mr. Kiss:

**RE: SALT WATER DISPOSAL APPROVAL
API ET AL KOTCHO c-B67-K/94-I-14; (WA# 22847)**

Commission staff have reviewed your application, dated July 24, 2008, requesting permission to dispose of produced water into the Pine Point formation of the subject well. A presentation was made to OGC staff regarding this application on the same date.

The well c-B67-K is cased below the Slave Point formation, with no gas production potential identified in the open-hole Pine Point formation in the immediate area. Water disposal has been previously approved for off-setting wells located at 56-K and 86-K, as well as the original c-67-K, in the Slave Point formation.

A successful injection test was performed on the subject well on October 30, 2008, with the Pine Point zone accepting high water rates "on vacuum". Additional disposal capacity will benefit general gas development in the area.

We concur that the subject well appears to be a good candidate for salt water disposal in the Pine Point formation. Attached is Approval 08-02-009 for the application, granted under Part 8, Division 3, Section 94 of the *Drilling and Production Regulation*. Notice of your application was posted on the OGC website, with no objections received.

Should you have any questions, please contact Ron Stefik at (250) 952-0310.

Sincerely,

Richard Slocomb, P.Eng.
Supervisor, Reservoir Engineering
Resource Conservation

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

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APPROVAL 08-02-009

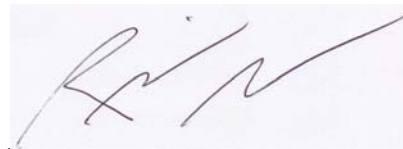
**THE PROVINCE OF BRITISH COLUMBIA
PETROLEUM AND NATURAL GAS ACT
DRILLING AND PRODUCTION REGULATION
OIL AND GAS COMMISSION**

IN THE MATTER of a scheme of Avenger Petroleum Inc. (Avenger) for Salt Water Disposal (SWD) in the Kotcho field Pine Point formation in the well API et al Kotcho c-B67-K/94-I-14 (WA 22847).

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

*an application from Avenger to the Commission dated July 24, 2008,
and related submissions.*

1. The water disposal interval must be in the Pine Point formation.
2. A record of volume of salt water 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 disposal/injection pressure at the sandface must not exceed the formation fracture pressure.
4. The Commission must be notified in writing of the date of commencement of produced water disposal.
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 24th day of November 2008.