

June 15, 2006

2865-4060-32640-02

Chris Dittaro Sr. Engineering Technologist ConocoPhillips Canada 2100, Bow Valley Square 4 250 – 6th Avenue S.W. Calgary, Alberta T2P 3H7

Dear Ms. Dittaro:

RE: APPLICATION FOR SALT WATER DISPOSAL
Burlington HZ W. Bullmoose a-83-G/93-P-4; Pardonet-Baldonnel; WA# 8661

The Commission has reviewed your application, dated May 8, 2006, requesting permission to dispose of produced water into the Bullmosse West – Pardonet-Baldonnel formation of the subject well.

The Commission notes that the Bullmoose West – Pardonet-Baldonnel "D" non-associated gas pool is currently producing from the well d-83-G/93-P-4 (WA# 7926) at a rate of 30.0 10³ m³/d. Material balance and decline analysis indicates that the two wells have recovered almost 90% of the original gas in place. The Commission believes that disposal of produced water at a-83-G will have a negligible impact on the ultimate recovery of gas from the subject pool.

We concur that the subject well appears to be a good candidate for salt water disposal in the Pardonet-Baldonnel formation. Notice of your application was published in two issues of the BC Gazette and no objections were received. Attached is Approval 06-02-001 for the application granted under Part 8, Division 3, Section 94 of the *Drilling and Production Regulation*.

If you have any questions regarding this approval please contact Richard Slocomb at (250) 952-0366.

Sincerely,

Doug McKenzie

Director

Resource Conservation Branch

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Attachment

APPROVAL 06-02-001

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 ConocoPhillips Canada (ConocoPhillips) for Salt Water Disposal (SWD) in the Bullmoose West Pardont-Baldonnel formation in the well Burlington HZ W. Bullmoose a-83-G/93-P-4 (WA# 8661).

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 ConocoPhillips to the Commission dated May 8, 2006.

- 1. The water disposal interval must be in the Pardonet-Baldonnel formation.
- 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.
- 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 water injection.
- This approval may be modified or rescinded if deemed appropriate through a change in circumstances.

Doug McKenzie

Director

Resource Conservation Branch Oil and Gas Commission

DATED AT the City of Victoria, in the Province of British Columbia, this 15 day of June 2006.