

December 8, 2009

9000-7400-32640-02

Chris Anderson, E.I.T  
Production Engineer  
EOG Resources Canada Inc.  
1300, 700 – 9<sup>th</sup> Avenue S.W.  
Calgary AB T2P 3V4

Dear Mr. Anderson:

**RE: SALT WATER AND RECOVERED FLUIDS DISPOSAL APPROVAL  
EOG MAXHAMISH c-20-K/94-O-15 (WA# 24146); DEBOLT FORMATION**

Commission staff have reviewed the information submitted in support of your application, dated October 30 2009, requesting permission to dispose of produced water and completion/workover fluids resulting from fracture treatments in the Horn River Basin into the Debolt formation of the subject well.

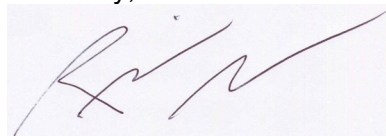
An injectivity test was conducted on October 15, 2009. Information from the injectivity test indicates disposal capability of 5155 m<sup>3</sup>/d at 13500 kPa. It had previously been thought that use of the Debolt for water source/disposal was limited to areas where karsting had improved Debolt reservoir characteristics. The ability of the Debolt zone in the well to adequately receive injection fluid holds promise for the more regional Debolt aquifer to service Horn River disposal/source needs. This well is considered a suitable candidate for produced water disposal.

Please note that condition #3 of the attached approval states that “the disposal/injection pressure at the sandface must not exceed the formation fracture pressure”. The Commission encourages EOG to implement an appropriate safety factor when making a determination as to the maximum wellhead injection pressure which can be sustained without exceeding the formation fracture pressure.

Attached is Approval 09-02-010 for the application, granted under Part 8, Division 3, section 94 of the *Drilling and Production Regulation*. The form Notice of Commencement or Suspension of Operations (BC-11) must be submitted upon commencing injection operations.

Should you have any questions, please contact the undersigned at (250) 419-4421 or Travis Mercure at (250) 419-4448.

Sincerely,



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

Attachment

**APPROVAL 09-02-010**

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

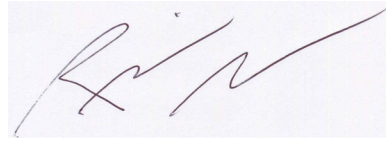
---

IN THE MATTER of a scheme of EOG Resources Canada Inc. (EOG) for Salt Water and Recovered Fluids Disposal in the Other Areas – Debolt formation in the well EOG Maxhamish c-20-K/94-O-15 (WA# 24146).

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

*an application from EOG to the Commission dated October 30, 2009  
and related submissions.*

1. The disposal interval must be in the Debolt formation.
2. A record of volume of salt water and recovered fluid 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 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 8<sup>th</sup> day of December 2009.